What Cheap Money Means to Business and Investors (Page 9)

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

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The Nation's Business

At Last, Action in Public Saving
Hepburn Leads Way
Other Governments Must Follow
Reputable Names on Shady Issues of Securities
The Tariff and the Maritimes

Ontario Leads Way In Public Economy

IF ONTARIO'S premier continues his vigorous expense-slashing campaign it cannot help but have a profound effect on governmental finance in all its branches in Canada. Mr. Hepburn has given the newspapers a headline a day with his disbandment of one governmental bureau after another. In individual cases he has made mistakes; has dispensed with the services of invaluable civil servants or placed too low a valuation on offices of key importance. In other cases there has been merely a juggling of politicians. A loyal Liberal has replaced a too loyal Conservative. But these are not the important matters in what Hepburn is doing.

He is cutting expenses and doing it in a way that 99 out of 100 political leaders would have deemed practically impossible, namely by narrowing the rôle of government and wiping out some of its assumed functions. The savings to date are estimated to have an annual value of just short of a million dollars and Mr. Hepburn declares that he has just started. He seems to be determined to carry out his preelection promise of cutting Ontario's expenditures in two.

* * *

IF THE premier goes through with his programme he stands a good chance of removing the province of Ontario much farther back from the brink of insolvency where it stood before in company with other provinces. He will undoubtedly pave the way for refreshing and welcome reductions in taxation. The great beneficiaries will be the rank and file of citizens whose incomes and savings have been despoiled by the politicians for the whole of the post-war period.

Before he was elected Mr. Hepburn was feared by some people as an ultra-radical, almost a Socialist. There is no Socialism in permitting the people to spend their own money rather than to turn it over to the State to spend. Mr. Hepburn's basic policy is the acme of sound conservatism.

* * *

WHAT Ontario is doing is being watched eagerly by people in other provinces. In the eight other provincial areas, taxpayers will be demanding stoutly that their own governments follow suit. In the 4,000 municipal subdivisions of the country similar economy will be demanded.

And every person in the country as a contributor to the revenues of the Dominion government will be asking why the central government likewise cannot pare and slash with the same courage that Ontario is showing.

The Ontario government is giving a new force and meaning to economy in public affairs. No other government can afford to neglect the example that is being set. Not even the government at Ottawa, whose only chance of being returned to office is to offer the electors in 1935 a definite record of economy in the grand manner.

A policy of retrenchment can be worked out that will not impose serious hardships on the Civil Service. The longer the measure is postponed the more drastic will be the action that will have to be taken. For eventually, greater economy must come.

* * *

Reputable Names On Shady Issues

IT IS imperative for the good name of Canada that Dominion and provincial security departments secure adequate information about all companies incorporated and that the facts obtained be exchanged quickly and completely. It is not enough that laws in several provinces protect Canadians from the operation of crooks and confidence men better than they did a decade ago. It is essential as well that high pressure operators be prevented from having companies formed in Canada in order to create shares with which to rook the investors of other lands.

The Financial Post in this and two previous issues has shown in individual instances how easy it is to use Canada as a base for operation in England, Europe and the United States. The trusting investor with whom Canada is a name that spells honest and fair dealing will soon change his opinion if loaded

(Continued on page 2, col. 3)

FRANCESCHINI HAS BIG STAKE IN DUFFERIN

Withdraws From Presidency But Working Hard For Company

EXPLAIN NEW FIRM

Dominion Subsidiary Formed to Allow Wider Scope of Construction Operations

James Franceschini, until early this year president of Dufferin Paving and Crushed Stone, is as deeply interested in the company as he ever was and is working very hard in its interests. The Financial Post is informed by officials.

Mr. Franceschini has important holdings of all three classes of stock, first preferred, second preferred and common, it is understood, and his interests are therefore the same as those of other shareholders. This information was obtained by The Post to supplement the news of changes in officers and directors disclosed by publication of the recent annual report.

Reasons For Withdrawal

Unofficially it is reported to The Post that Mr. Franceschini's health has been uncertain in the last three years. It is said that this was an important factor in his withdrawal from the presidency, and that he has spent some time in the sunny south at his physician's suggestion. H. H. Salmon, secretary-treasurer of the company, recently informed The Post that Mr. Franceschini was absent some time ago on account of his health, but that he is back on the job and apparently in better health than for three years.

Small credence is given to suggestions that recent political events in Ontario had a bearing on Mr. Franceschini's withdrawal. It is pointed out that he gave up the presidency in the early spring of this year long before he gave a picnic at which a cabinet member of the former Ontario Government figured prominently.

Position of Investors

Investors were somewhat perturbed to hear that Mr. Franceschini had withdrawn from the presidency of the company because he had founded and built up the business. According to other officials, however, this has no sinister meaning for investors in the company. Mr. Franceschini himself could not be reached.

As pointed out two weeks ago in The Post, Mr. Franceschini's life was insured for a substantial amount in favor of the company before the time of public flotation of preferred and common shares in 1929. While officials refuse to divulge the exact amount of this insurance, it is understood that the face value of the policy is about $100,000. The cash surrender value shown in the balance sheet in 1933 was $12,150.

New Subsidiary

Dufferin Paving Co., to which attention was recently directed in The Financial Post, is a wholly owned subsidiary, it is stated by officials of Dufferin Paving and Crushed Stone. The officers and directors are stated to be the same as those of the parent company. It is pointed out that this subsidiary has a Dominion charter, whereas Dufferin Paving and Crushed Stone has only an Ontario charter.

One official explains that the Dominion charter facilitates operations in all the provinces, whereas the Ontario charter of the parent company does not allow the same wide scope. "We have been extending our operations a little," The Post was told, "and the Dominion charter facilitates this expansion. The Dominion company is purely a routine matter. We frequently surrender charters and incorporate new subsidiaries."

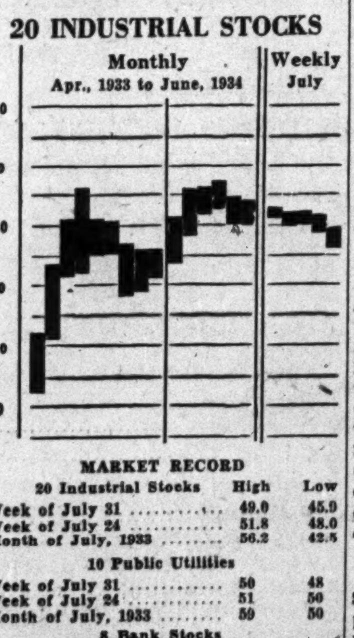
Formation of subsidiary companies in the construction business to carry on various types of work is a common precedure, it is explained.

In this connection it is noteworthy that an action was brought against

(Continued on page 2, col. 1)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of July 31	49.0	45.9
Week of July 24	51.8	48.0
Month of July, 1933	56.2	42.5
10 Public Utilities		
Week of July 31	50	48
Week of July 24	51	50
Month of July, 1933	59	50
8 Bank Stocks		
Week of July 31	181	177
Week of July 24	180	178
Month of July, 1933	198	178

U.K. Stability Contrasts With European Turmoil

England Worried By Continental Situation Despite Domestic Improvement

By A. F. W. PLUMPTRE

LONDON.—The average Englishman, if his mood reflects that of the daily papers he reads, has two predominating feelings—profound dissatisfaction with the state of affairs in Central Europe and profound satisfaction with the state of affairs at home.

Economically the Englishman's self-satisfaction seems well founded. The most recent employment returns show 10,163,000 employed, an increase of no less than 419,000 over the figures of a year ago. The tonnage of shipping under construction, although only some 40 per cent of the 1929 average, is more than double what it was last year. The latest available figures for coal mining output show an increase of more than 25 per cent over the lowest level reached in 1932, and have attained a level not exceeded since the first quarter of 1930. The new business of life assurance companies rose from policies amounting to £150,670,000 in 1932 to £166,916,000 in 1933.

Industrial Profits Gain

Most important of all, perhaps, because it provides the incentive for further expansion, industrial profits have expanded rapidly. The Economist's figures show that 642 companies, which in the second quarter of 1933 made net profits of £56,971,000, made in the same period this year £67,335,000; a gain of 18.2 per cent.

This increased activity is mirrored in an increase of some 14 per cent in the London bank clearings, and 9 per cent in the provincial. First class securities, while slightly below their high points for this year, are still far above the levels of recent years.

Less New Financing

It is disappointing that, in face of all this good news, the new issue market should apparently be slackening. The figures from January 1st to date, excluding conversions, are as follows:

	In millions of £
1934	106
1933	113
1932	164
1931	95
1930	185
1929	185
1928	268

And the most important business of the London money market—the dealing in bills of exchange to finance international trade—is still lamentably idle.

Keeping Money Out

Nevertheless, the average Englishman has plenty to congratulate himself upon, especially when he looks abroad. I have not been in London since the summer of 1931, when the cloud of financial distress filled the city with gloom. Today everything is brighter. It is no longer a matter of trying to keep foreign money from flight, but a matter of keeping too much foreign "black money" out of London. Bankers are deliberately quoting terms to foreign depositors which they expect and hope to be unacceptable. They do not want a repetition of the 1931 withdrawals.

The general air of confidence seems to have been strengthened by the recent English victories in the fields of sport. Perry and Miss Round, who brought the tennis crown of England home at Wimbledon after an absence of some twenty years, have done their bit to add to the prevailing optimism: for the whole of England rejoiced over their victories. The defeat of the Australian cricket team in the second Test Match made a further contribution.

Gold Bricks in the Open

And so the Englishman feels that he is not as other men are. He compares the relative orderliness of his 1926 general strike with the reports of chaos and confusion which have just been coming in from San Francisco. He is particularly prone to pride himself upon the swiftness and length of the arm of English law. The famous racer, Kaye Don, is sentenced for reckless driving in the same week as a man is apprehended for a particularly gruesome murder. Bank robberies are extremely rare. Three days ago, within a stone's throw of Canada House in Trafalgar Square, I nearly bumped into a workman carrying two gold bricks on his head. They were coming out of a financial house and being piled—30 or 40 of them—in an open truck. There were no machine guns and no armoured cars. Just one policeman.

Two domestic matters only trouble the Englishman at his breakfast table. One is the mounting toll of deaths due to motor car accidents. Over this he is seriously concerned. And he approves of the re-introduction of the speed limit as a precautionary measure. The other is the fact that, because of the prolonged drought, he has to save his bath water to moisten his parched garden.

Anti-German Feeling

When his thoughts turn to Germany the Englishman is particularly displeased. That country at present seems to represent everything that, to his mind, is un-British. Anti-German feeling is running very high, both politically and financially.

Financially it is felt that Germany has by no means been "playing cricket." It has been well known that, while Germany has supposedly been husbanding her meagre supplies of foreign exchange in order to buy necessary imports and pay debts, actually foreign exchange has been made available to Germans in order to buy up German bonds at depreciated prices. This, combined with the moratorium which has been imposed upon the payment of debts—includ-

(Continued on page 2, col. 2)

Canada Bread Sales Gain Net Loss Shows Decrease

Company Still Overcapitalized But New Board's Policies May Improve Affairs Permanently

Comparative consolidated balance sheets for the two fiscal years of Canada Bread Co. preceding June 30, 1934, show that in the last two years the company's cash position has been improved, its bank loans reduced, its working capital materially improved and the only outstanding mortgage of $6,400 paid off. The net loss was brought lower, sales in all lines of products have gained and improvements have been made in plants and operations. In fact, for the first time in five years all plants of the company showed a profit in June.

Cons. Income & Surplus Account Years Ended June 30

	1934 $	1933 $
Net earnings*	237,664	237,131
Add: Int. on invest.	7,869	9,194
	245,533	246,325
Less: Depreciation	235,352	236,610
Taxes	......	23,000
Doubt. acc. res.	25,000	30,000
Prem. on bds. red.	2,610	......
Net profit	†17,429	†43,285
Less: 1st pref. div.	......	87,500
Cl. B pref. div.	......	12,500
Deficit for year	17,429	143,285
Add: Prev. surp.	1,539,896	1,642,981
Invest. res.‡	275,000	250,000
Less: Deficit of sub.	238,172	172,972
Balance forward	1,559,295	1,576,724

*After bond interest.
†Deficit.
‡Reserve for depreciation in value of investments and advances to subsidiary company provided before consolidation.

C. H. Carlisle, president, told the shareholders at the annual meeting on July 31 that the board is making a thorough study of all the operations of the company and is putting into operation policies that should materially and permanently benefit the company. He reiterated his opinion, previously expressed, that the company is over-capitalized materially. He says that this excess capitalization must be liquidated either through the rearrangement of the capital structure or through earnings.

Liquids Improve

Cash increased from $156,248 to $209,655. Accounts receivable dropped from $226,987 to $193,148 after reserving $45,000 and $60,000 in the respective years for doubtful accounts. Investments in marketable securities shown at cost of $72,698 had a market value of $70,000 on June 30, 1934, compared with $61,885 a year earlier. Inventories of $98,608 compared with $89,692 a year ago.

Working capital deficit is replaced by a working capital surplus as shown by the following report:

Working Capital

	1934 $	1933 $
Current assets	574,109	545,624
Current liabs.	485,545	594,051
Working capital	88,564	*48,427
Ratio	1.18—1	0.92—1

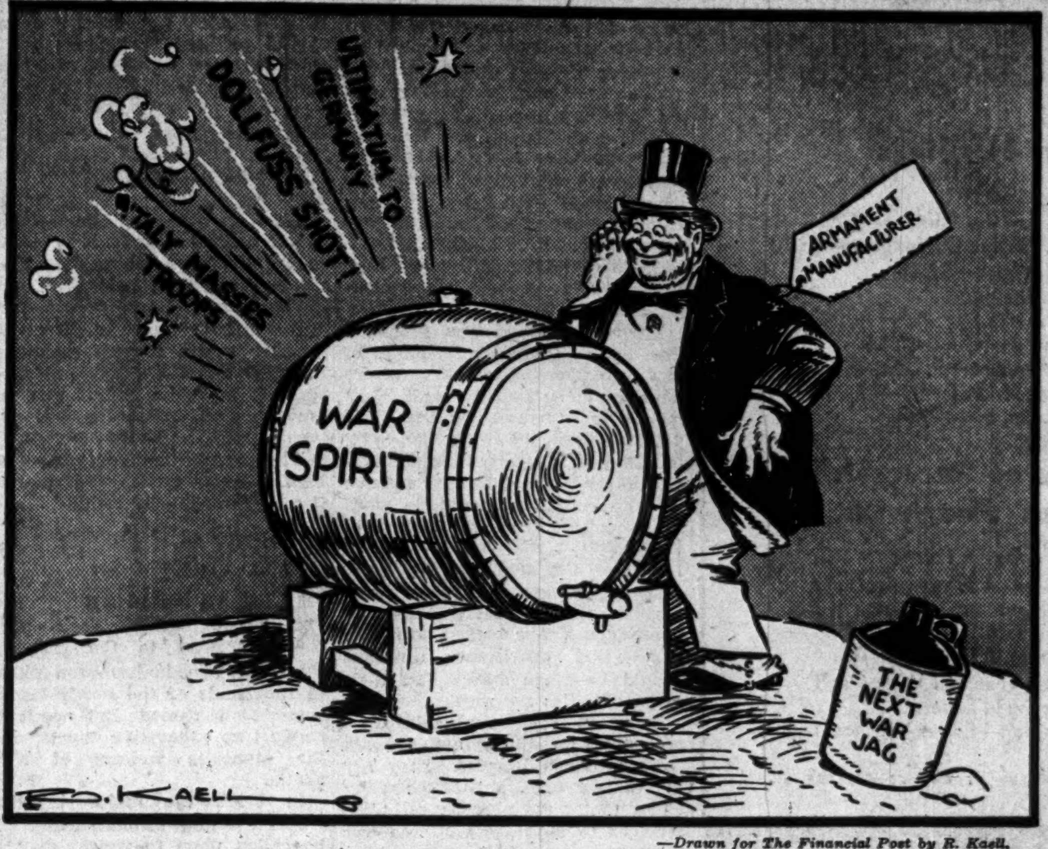
*Excess of current liabilities over current assets.

Current liability reductions are the net result of the following principal changes: bank loan down from $232,000 to $180,000; accounts payable down from $283,472 to $247,451. The situation is also made easier in view of the fact that a year earlier a preferred dividend payable of $21,875 was included.

A. V. Loftus, general manager, indicated that the company suffered a loss of $69,305 on operations for the first half of the year and a consolidated profit of $79,486 in the second half. He gave the credit for this change largely to the leadership given the company by its reorganized board of directors appointed at the annual meeting held in October, 1933. The accession of C. H. Carlisle as president was particularly fortunate, he said.

By reason of increase in depreciation reserve fixed assets dropped from $3,931,737 to $3,761,067. Bonds still stand at $952,200.

After the annual general meeting on July 31 directors re-elected C. H. Carlisle as president, C. W. Band as vice-president and A. V. Loftus as general manager. W. F. Antliff, secretary-treasurer, has been promoted to be assistant general manager. He retains his present position as well but L. F. Enright is appointed assistant secretary-treasurer. The directors are C. H. Carlisle, C. W. Band, Dr. J. H. McConnell, H. J. Symington of Montreal, C. B. Shields, A. V. Loftus and R. S. Waldie.



WORKING

—Drawn for The Financial Post by R. Kaell.

TOBACCO CROP PRICE IN DOUBT YIELD REDUCED

Macdonalds Fails to Sign Growers' Price Agreement

DROUGHT TAKES TOLL

Ontario hopes of a $6,500,000 tobacco crop is slowly fading as, first, the agreement with manufacturers which would have set an average price of 27 cents a pound for the 1934 flue-cured crop has not been signed by the W. C. Macdonald, Inc., and second, dry hot weather and a lack of rainfall has reduced the possible yield to at least 50 per cent below the 1933 total.

July 31 was set as the date on which all signatures had to be appended to the price agreement but despite weeks of effort on the part of the growers' committee, the agreement remains unsigned by Macdonalds. This automatically renders it ineffective.

Although Macdonalds have not signed the growers' price agreement, officials claim that the company has purchased 4,000,000 pounds of Canadian leaf during the past season, most of which was obtained during the past ten weeks. Growers, however, deny that this company has purchased such an amount.

Acreage Down 25 p.c.

With the 25 per cent acreage reduction agreement in effect throughout the growing area, the flue-cured crop was expected to fall short of the 23 million pound mark reached in 1933 if favorable weather conditions prevailed. A bad start because of drought followed by hot dry weather during the critical maturity period has definitely reduced the crop throughout the area and leading growers doubt if a yield per acre better than 75 per cent of the 1933 figure can be accomplished.

Crops on heavier soil have done better than those on the lighter types but the bulk of the crop is grown on the lighter lands. It is stated that plentiful rainfall during the current week would greatly help the total yield. Rain must come soon, however, as the harvest season has already started. Condition of the leaf is reported as only fair.

Although the failure of the price agreement is a blow to growers, the fact that there is sure to be a short crop may result in increasing the price to around the level hoped for. Also, efforts have not yet been abandoned to obtain the co-operation of the large buyers of raw tobacco.

Further Decline In Construction Recorded in July

Construction contracts awarded in July were lower by more than 11 per cent than the amount recorded in the same month last year. The reduction is partly accounted for by the small total of Government subsidized work started this year. The July total is also lower than May or June of this year.

		—Change— From Prev. Period %	From Prev. Year %
Monthly:	July, '34		
Constr. contracts $	11,190,500	—8.4	—11.5
Sugar mfgd.* lbs.	83,543,766	—0.7	+45.7
Employment† index	101.0	+4.5	+19.5
	June, '34		
Pete. imports, gal.	114,880,248	+16.1	—5.0
New auto. sales No.	9,995	—26.2	+53.5
Retail stores index	77.5	—3.8	+3.6
Weekly:‡			
Car loadings, No.	44,751	—2.1	+14.6
Cattle sales, No.	12,409	+8.0	—0.1
Hog sales .. No.	16,926	+17.3	—4.0

*Four weeks ended July 14.
†July 1.
‡Weeks ended July 21, 26 and 26 respectively.

SINGER FIRMS SEEKING COVER IN PAST WEEK

Jake the Barber Reported Hurried Visitor at Montreal

PUSH UNITED GOLD

By WELLINGTON JEFFERS

MONTREAL.—What a scurrying for cover there has been in certain promotion circles in Montreal and Toronto since recent revelations made by The Financial Post, the Better Business Bureau of Montreal and The Daily Mail (London, England). Some concerns of the Singer group of mining share-pushers have apparently folded up their tents like the Arab in the night and silently faded away.

Others have decided to lie under cover for a period until the public forgets and then to try the same game with new names and new companies for all it is worth. Already certain names have disappeared from the windows and bulletins of large office buildings and those belatedly trying to get to old officers by telephone are in these cases told "telephone disconnected."

Admittedly the evil of forming mining companies as a result of efforts of alien promoters whose whole idea was to sell shares has assumed far wider dimensions than was described in The Financial Post which held its articles down rigidly to enterprises about which it could give official details. A host of imitators were all ready to use Singer measures to their own profit and some of them are still trying to do it. The Montreal Standard gave publicity last Saturday to a report that John or Jacob Factor (Jake the Barber) whose ancient business relationships with Maurice Singer were also indicated in The Financial Post, had shown his usual audacity by making a flying trip to Montreal to inspect the situation himself on the spot. A meeting—so the story goes—was held in an uptown office building and it was decided not to float for four months at least an issue of another company for which all the plans had been prepared.

In The Financial Post of last week the measures taken by directors and officials of Plymouth Gold Mines to prevent any sinister use being made of the vendors shares were described. With full knowledge of the fact that men like Singer draw in many others who are acting in good faith, The Financial Post asked that directors of Concordia, United Gold, Amalgamated Goldfields (former Blue Quartz) also detail any measures taken if any, in the way of pooling vendors stock or preventing the sale of such stock to the public.

Colonel Starke Resigns

The Financial Post learns that Colonel Robert Starke, of Montreal, has sent in his resignation as president of Concordia Mines on account of illness and that the solicitors of the company have also withdrawn on learning the nature of the financial operations intended. One Montrealer says he learns that stock of Concordia Mines is being sold in Amsterdam and, if so, it is in all likelihood vendors' stock that is being sold. Singer has an office in Amsterdam.

The Financial Post has already recorded that of the 3,000,000 authorized shares of Concordia Gold Mining Co. the company agreed to give 2,250,000 shares of no par value to Morris Gerber, vendor, for 14 claims of 600 acres against which there was a liability of $7,000 to be paid before June 29, 1934. Morris Gerber informs The Financial Post that he was the nominee of another in the matter of this option and that he does not own and never owned any interest whatever directly or indirectly in the company. "I was jockeyed into this position," he explained, and I agreed only because I

(Continued on page 2, col. 5)

Highlights of the week

Bonds Advance

Canadian bonds have been swinging up in the third major post-war advance. The outlook examined for Canadian investors in relation to domestic and international developments. Page 9

British Viewpoint

London observers are pleased with recovery in Great Britain but distinctly worried over conditions in other countries. A sketch of world economic affairs from the British viewpoint by A. F. W. Plumptre of the University of Toronto. Page 1

Opportunity

This continent still offers plenty of opportunities for the hard working young man, says Samuel J. Moore of international business fame. A hundred Canadian business leaders are helping him celebrate his 75th birthday this week. Page 8

Maritime Rights

The newly appointed Royal Commission will soon start an examination of claims of the eastern provinces. Some of the problems of the economic welfare of the Maritimes that the commission will have to consider. Sketches of commissioners. Page 3

80-cent Wheat

Farmers in some western areas need 80 cent wheat at the farm to allow them to carry their debt burdens. A second article discussing when the western farmer will be out of the red, based on University of Saskatchewan studies. Page 9

Cover Running

This week's article about the mining machinations of Maurice Singer, share promoter extraordinary, tells more about the man. How his operations have been cramped since the light has been focussed on his Canadian activities. Page 1

Investors' Index

Dufferin Paving and Franceschini ... 1
Canadian Rail Terminals bond tangle ... 1
Winnipeg Electric purchase developments ... 4
Rogers Majestic heavy advance orders ... 5
Granada recovery report ... 14
Taylor Bridge River expansion plans ... 16

INDUSTRIALS, UTILITIES, ETC.

Algoma Steel	4	Inv. Equity	2
Annandale Crt.	11	Muirhead's	2
Alta. P. Grain	5	M. Loew's	2
Bran.-Henderson	5	M. & O. Paper	5
Brew. & Dist.	8	McColl-Front.	11
Border Cities	11	Moore Corp.	8
Bell Telephone	4	Montreal Pwr.	11
C. P. R.	4	Monarch Knit.	11
C. N. R.	4	Natl. Light	4
Can. Paperboard	11	Nan.-Duncan	5
Can. Foundries	3	Power Corp.	4
Collingw'd Term.	10	R. Simpson Co.	11
Can. Rail	1	Richmond Bldg.	11
Canada Bread	1	Regent Knit.	10
Consumers Gas	5	Rogers-Majestic	5
C. I. Alcohol	5	Stop & Shop	5
Cosmos Imp.	5	So. Can. Pwr.	11
Dufferin Pav.	1	Winnipeg Elec.	4
Donnacona	11	Wellington Bldg.	10
Famous Players	11	Wood, Alex.	5
Hiram Walker	11		

MINES AND OILS

Astoria	16	Hollinger	15
Arcadia	14	Homestead	15
Algoma M. & S.	15	Intl. Nickel	2
Beaufor	15	Kootenay Belle	16
Base Metals	14	Lamaque	15
Big Missouri	14	LaReine	15
Bralorne	16	Maple Leaf	11
Cariboo Gold	14	Middle Bay	16
C. Chibougamau	11	Mak Siccar	15
Congress	16	Makwa	15
Crown Cons.	14	Midcour	15
Cuniptau	14	Norce Thompson	14
Casey Summit	15	Noranda	16
Cent. Pat.	15	Pioneer	15
Dunlop Cons.	15	Paymaster	14
Dynamo	15	Pickle Crow	11
Duparquet	14	Prosperine	16
Eureka-Kirk.	11	Quesnelle Q.	16
Gabrielle	15	Sullivan	15
Gillies L.-Porc.	15	So. Tiblemont	15
Gunnar	15	Soocana	14
Golden Summit	15	San Antonio	15
Gold Mtn.	15	Sheep Creek	16
God's Lake	14	Sylvanite	11
Granada	16	Taylor B. R.	16
Highland Lass	14	Teck-Hughes	16
Hercules Cons.	16	Wayside	14
Highwood Sarcee	14	Whitewater	15
Hollinger	15	Waterloo	15

QUOTATIONS

Bonds	12	Mines	15
Grain	10	Stocks	12

Foreign Exchange ... 13

RAIL TERMINAL BONDS CAN GET FIRM CONTROL

Committee's Broad Powers Would Allow Concerted Action

SEEK DEPOSITS

Profits for 1933 Show Substantial Decline But Slight Improvement Experienced in Recent Months

Bondholders' protective committee for the 6½ per cent first mortgage bonds of Canadian Rail and Harbour Terminals intends for the time being to obtain deposits of bonds so that interests of the first mortgage holders will be protected if concerted action is necessary, The Financial Post understands

If a reorganization of the property is to be carried out, the interests of bondholders will be best served by having the committee take unified action for them, in the opinion of some important creditors.

The committee will have exceedingly broad powers, as indicated in its letter to bondholders in which deposits are sought: "The deposit of bonds as provided in the deposit agreement transfers to and vests in the committee the entire legal title thereto and no limitation is imposed on the powers of the committee as the legal owner of such bonds except the doing of whatever is in its uncontrolled discretion and opinion calculated to promote the best interests of the depositors. No other securities of the company are being called for deposit or will be called for deposit by the committee."

Reason for Committee

It is pointed out that the trust indenture securing the bonds makes no provision for calling meetings of bondholders. The committee is seeking deposit of the first mortgage securities with the London and Western Trusts Co.

The members of the committee are Rt. Hon. Arthur Meighen, Sir Henry Drayton, and R. V. LeSueur, K.C., vice-president of International Petroleum. The secretary, M. W. McCutcheon is an official of the National Life Assurance Co., which holds a substantial block of the bonds.

Capital of Canadian Rail and Harbour Terminals is as follows:

Capitalization as at Dec. 31, 1933

	Authorized $	Outstand. $
6½% 1st Mtge. Bonds due 1951	3,500,000	3,500,000
7% Gen. Mtge. Bonds due 1945	2,000,000	2,000,000
7% 30-yr. Debentures, due 1956	1,200,000	305,000
7% preferred, 7% par $100	4,000,000	234,600
Common stk., n.p.v.	200,000 sh.	200,000 sh.

Defaulted in March

The company announced in January 1934, to the Toronto General Trusts Corp., trustee for the first mortgage bonds, that interest would not be paid on March 1, 1934. Default had occurred earlier on the mortgage bonds and debentures.

It is evident from the capitalization, and because bank creditors are not a factor, that if the committee obtains deposits of sufficient bonds it will have the whip hand in the company's affairs.At present G. T. Clarkson is operating the company as receiver and manager.

The company had an operating profit of $156,187 for the year ended Dec. 31, 1933, as against $221,906 for 1932. Financial charges and depreciation amounted to $483,874 as compared with $499,110 leaving a deficit for the year of $327,687, which when added to the previous deficit carried forward brought the total for the end of the year to $1,769,829. For the first three months of the current year, however, it is understood that there has been some improvement.

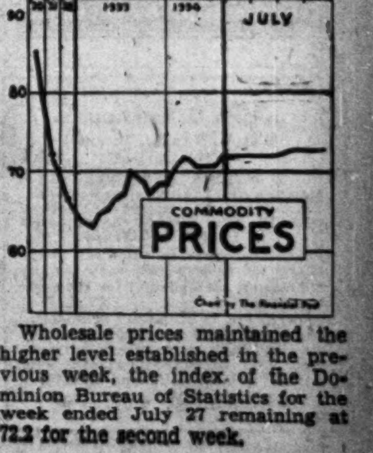
DEFICIT ACCOUNT Years Ended Dec. 31

	1933 $	1932 $
Operating profit	156,187	221,906
Less: Fin. chgs. & deprec.	483,874	499,110
Deficit for year	327,687	277,204
Add: Prev. dificit	1,442,142	1,164,938
Deficit carried forward	1,769,829	1,442,142

Principal current assets were cash $211,882 as against $124,299 in 1932 and accounts receivable less reserve amounting to $65,067 against $83,812 a year ago On deposit against interest payments was $11,667 as compared with $87,500 in 1932. Total current assets are valued at $289,766 as compared with $296,012 in 1932.

Working Capital

	1933 $	1932 $
Current assets	289,766	296,012
Current liabs.	143,596	83,632
Working capital	146,170	212,380
Ratio	2.02—1	3.54—1



Wholesale prices maintained the higher level established in the previous week, the index of the Dominion Bureau of Statistics for the week ended July 27 remaining at 72.2 for the second week.

TRY A DETECTIVE TALE

Some New Thrillers

Power to Kill—Robert Hichens—$2.00
Mr. Parker Pyne, Detective—Agatha Christie—$2.25
The Man Without Nerves—E. Phillips Oppenheim—$2.00
The Strangled Witness—Leslie Ford—$2.25
Still Dead—Ronald Knox—$2.00
Desire to Kill—Alice Campbell—$2.25
Mr. Pidgeon's Island—Anthony Berkeley—$2.25
The Puzzle of the Silver Persian—Stuart Palmer—$2.25
12.30 From Croyden—Freeman Wills Croft—$2.00
The Nine Taylors—Dorothy L. Sayers—$2.00

Reprint Editions of Successful Detective Stories . each 90c.

The Man from Scotland Yard—David Frome
The Case of the Velvet Claws—Erle Stanley Gardner
The Maltese Falcon—Dashiell Hammett
The Album—Mary Roberts Rinehart
The White Cockatoo—Mignon G. Eberhart
The Strange Case of Dr. Earle—Freeman Wills Croft
Murder Must Advertise—Dorothy L. Sayers
When the Gangs Come to London—Edgar Wallace

BOOKS, MAIN FLOOR, ALBERT ST.—ALSO AT EATON'S—COLLEGE ST.

THE T. EATON C° LIMITED

TO SEE THE WORLD

Travel is a pleasure enjoyed by many people of moderate income who follow a plan of systematic Savings for that purpose. Regular deposits of even small amounts soon accumulate at compound interest and provide a cash reserve to meet any need.

THE ROYAL BANK OF CANADA

FRANCESCHINI HAS BIG STAKE IN DUFFERIN

(Continued from page 1)

Quebec Paving Co., another subsidiary, last year in connection with contracts in Montreal. This action is still in process.

A note to the 1933 balance sheet states: "There is pending against a subsidiary certain litigation which is being defended, in respect of which the directors consider it unnecessary to set up any reserve. In the meantime, a substantial balance owing to the subsidiary under the terms of its contracts in litigation has not yet been taken up in the foregoing balance sheet and accompanying statement of profit and loss."

Franceschini Holdings

Outstanding capital of Dufferin Paving and Crushed Stone includes $1,838,500 of seven per cent first preferred shares upon which dividends have not been paid since April 1, 1932. There is also $1,250,000 of second preferred stock. It is reported that Mr. James Franceschini sold this stock to underwriters of the company's securities several years ago, but bought it back at a somewhat lower figure after the depression deepened. There is also 60,000 shares of common stock of no par value. Mr. Franceschini is understood to have a substantial holding of the first preferred shares and a majority of the second preferred and common. Investors' holdings are entirely in the first preferred and common shares.

The company earned nothing on any of its shares in 1933, but improved its liquid position materially. Leonard Franceschini, brother of James, and now president of the company, told the shareholders at the recent annual meeting that the outlook in the construction business is somewhat improved.

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Carry them on your next trip and be assured of travel comfort.

Get them from any agent of the Canadian Pacific & most Banks

John D. Gilmour,
B.Sc.A., B.Sc.F., (Toronto)
CONSULTING FOREST ENGINEER
MEMBER OF EXECUTIVE, PACIFIC LOGGING CONGRESS. MEMBER CANADIAN SOCIETY AND QUEBEC ASSOCIATION OF FOREST ENGINEERS.
Seventeen years in practical active charge of eastern pulpwood logging operations, continuously for the same interests.
Experienced in all phases of organization and management of logging operations, logging engineering, transportation, timber valuations, cost estimates, budgetting and control.
QUEBEC, QUE.

U.K. STABILITY CONTRASTS WITH EUROPEAN TURMOIL

(Continued from page 1)

ing the Dawes and Young loans—abroad has fostered deep distrust.

This distrust is by no means allayed by such official German pronouncements as that which was made recently. When the trustees of the Dawes loan impounded the Reich budget revenues upon which this loan is secured—tobacco, beer, sugar and spirit revenues—it was proclaimed that "this imperils vital tasks of the government by diverting a sensible proportion of the treasury revenues from their prescribed purpose." The step was described as "inconsistent with the established principle that the frivolous exercise of existing contractual rights is unjustified." (I have used the translation given in the Times.) The German government appears to take the view that the exercise of all contractual rights, other than those which are of immediate assistance to itself, is rather frivolous.

Hitler Not so Strong

Disturbed as it is over these financial developments, English public opinion was profoundly shocked by the recent political "clean-up" in Germany. The offhand murder of political opponents has not endeared the already unpopular Hitler to English hearts and homes. Thus, the increasing friendliness of the Foreign Secretary, Sir John Simon, toward the French plans in Europe is being more strongly supported.

Sir John's recent statement in the House of Commons regarding the conversations between himself and Monsieur Barthou shows the extent to which this friendliness is proceeding. He gave full approval to the Frenchman's plan for an "Eastern European Locarno." The plan is to obtain for the Baltic and Balkan States, together with Poland and Germany, a pact which would do for the east what Locarno did for the west; that is, give all the contracting parties a mutual guarantee of their existing frontiers.

While Germany was willing to renounce all hope of regaining Alsace and Lorraine from France on the west, she is by no means so willing to give up hope of regaining some of the territory which she lost to Poland and Czechoslovakia on the east. Yet Hitler, with increasing signs of disaffection at home, is not in so strong a position as he was some months ago to forego British support. Thus, the complete swing of British support to the French schemes is viewed with some alarm in Berlin.

The Nation's Business

(Continued from page 1)

with shares that never will pay dividends and never could be listed on a Canadian or any other exchange. Those unprofitable companies may be formed by aliens in many cases and the selling be done by aliens but it is Canada that will bear the brunt of the blame.

* * *

THAT blame will be all the greater because in so many instances such companies are as legally formed as many sounder concerns. Many of these share pushers take care to employ as reputable Canadian lawyers, trust and other companies as they can get. They secure in this way incorporations that stand the test, and these reputable names on a prospectus win confidence far beyond what should be given such ventures. Alien promoters get as many unwary citizens of good name as possible to go on the board and they themselves keep their names modestly hidden from view.

Many readers of The Financial Post have questioned the ethics of leading lawyers and trust companies lending their services and their names to companies which, their experience should teach, are likely to result in loss to most shareholders. Many flatly state their opinion that no law firm should do work for a company whose method of incorporation shows that selling shares is the chief end in view. They apply the same type of judgment to trustees and transfer and other agents. The suggestion is also made that provisional directors should be made aware that their responsibilities are great.

Some of these reputable Canadians respond that they are not their brother's keepers. They say that a law firm, a trust company and a mining engineer can sell their services to anybody who requires them just as a grocer or a butcher or a gasoline vendor does not enquire whether the buyer of his wares is a member of a church, an honest man, a bootlegger, an infidel or a thief. They do not promise anything with regard to the company or its conduct and they in no sense endorse the stock as a good investment. Why should they turn down good business which will go to swell the coffers of people who would not do the work as competently, they ask.

The Financial Post knows, however, as a matter of fact that the presence of such names on prospectuses does inspire confidence. They are taken by many to be an endorsement of the bona fides at least of company issues. It seems not too much to ask that such firms should for that reason let their social duty weigh at least as heavily as their chances of personal profit. Civil servants are apt to be somewhat timid about refusing applications for incorporation from reputable sources even though they suspect that behind such reputable names lurk promoters not so reputable. That is especially so in a time of insecurity of tenure of office.

* * *

THE situation is already a stench in men's nostrils. The Financial Post has shown in recent issues what clever share pushers can do in planning international ramps. The situation is so well known in the financial world that men speak openly of large offices operating with batteries of telephones and high pressure operators. A United States magazine, last week in an article on The Toronto Stock Exchange, was mainly commendatory of the exchange itself but pointed out that it is common knowledge that all sorts of unsound flotations outside the exchange are planned to take advantage of the interest aroused by the Exchange. It is no compliment to Canada that scores of high-pressure "gyp" salesmen fled to Canada before the severities of the Federal securities law in the United States to take advantage of the many shady financial holes and corners permitted by our conflicting jurisdictions and lack of co-operation between Dominion and provinces. The various agencies whose duty it is to protect the people should get very busy and make it evident to the public that they are earning their salt by making public what they do.

Canadian stock exchanges are showing themselves very much alive to the need of preserving their own reputation and governing boards scan every complaint of unfair dealing closely. It is mainly off the exchanges where the danger lies now and those promoters, mining men and industrialists who mean real business and to give the investor a run for his money in intended flotations have most at stake to make the public feel that crooked work in Canada will soon be stopped. Outside money is needed for legitimate operations but high pressure tactics will spoil all it touches and help nothing.

* * *

Tariff Policy In Nation-building

A QUESTION of far-reaching significance to the economic future of Canada has been placed in the hands of the newly-formed commission named last week to conduct an exhaustive enquiry into the economic welfare of Nova Scotia.

In brief, the major principle which the new commissioners will be called upon to weigh, may be summed up in the query "What has Canada's tariff policy cost Nova Scotia?"

The question has interesting and far-reaching possibilities. Suppose, for example, the commissioners find that the tariff policy of Canada since Confederation has been a heavy burden to this Maritime province. Suppose they estimate in fairly tangible form just what such a policy has "cost" the province. Supposing a Liberal administration at Ottawa in 1935 were to favorably consider such recommendations, the effect of such a policy on Canada might easily be incalculable.

Other provinces (particularly in Western Canada) which have had similar misgivings from time to time would undoubtedly move to have their claims reviewed and appraised. (British Columbia is already taking steps in this direction). Indeed the whole basis of Confederation with its subsidies and other equalizing benefits might well be submitted to a major overhauling.

* * *

IT MAY be remembered that eight years ago when the famous Duncan Commission delved deeply into the political and economic grievances of the Maritime provinces the question of tariff was ruled out beyond the scope of such an enquiry. The terms of the new Royal Commission will afford a unique opportunity for testing the belief that fiscal or tariff policies cannot be divorced from such questions as railway rates, subsidies, and so forth. Its deliberations and recommendations will be watched with very wide interest, particularly in view of the existing political situation of the Dominion.

Made Partner

GEORGE N. BROWN

Who has been admitted to partnership in Angus & Macdonald, members of the Toronto Stock Exchange. Mr. Brown was formerly with the Standard Bank of Canada, latterly as assistant general manager, and entered the stock brokerage business in 1928.

MUIRHEADS LTD. HAS HIGHER LOSS INCREASE ASSETS

Earnings $14,412 Against $17,086 in 1933 — Retire Shares

Muirhead's Cafeterias Ltd., showed a net loss of $15,588 for the year ended Feb. 28, 1934, as compared with a net loss of $12,914 for 1933. Before depreciation of $30,000, which amount was the same as in the previous year there were net earnings of $14,412 compared with $17,086 in 1933. In 1932 net earnings amounted to $47,591 leaving a net profit of $16,591.

A portion of the operating loss was reduced by a profit of $7,598 on sale and revaluation of securities which are now carried at a market value of $83,250 During the year the company retired 1,173 shares of par value $10 preferred stock at an average cost of $6.72.

Income and Surplus Account Years Ended Feb. 28

	1934 $	1933 $
Net earnings	14,412	17,086
Less: Depreciation	30,000	30,000
Net loss	15,588	12,914
Less: Pref. divds.	......	1,759
Adj. of invests. w/d to market value	......	320
Work. compensation	251	.....
Disct. shs. redeemed	1,073	......
Deficit for year	16,912	14,993
Add: Prev. surplus	*6,067	8,446
Disct. on pfd shs. redeem.	......	557
Sundry adjusts.	......	50
Less: Inc. tax adjusts.	259	127
Profit on sale or revaluation securities	7,857	......
Deficit carried forward	15,123	6,067

*Deficit.

Current assets consisted of cash at $6,147, bonds and stocks at market value of $83,250, and secured call loan of $15,000. Inventories amounted to $8,305 and accounts receivable to $259, while prepaid expenses and accrued revenue, amounting to $13,088, were included as current.

Working Capital as at Feb. 28

	1934 $	1933 $
Current assets	126,049	120,302
Current liabs.	17,232	19,168
Working capital	108,817	101,134

During the past year the Queen Street restaurant was closed and equipment was removed to new premises on Yonge Street where it is stated that patronage has shown substantial increase.

OWNERS OF STOCK LOEW'S THEATRES SETTLE DISPUTE

Special Meeting Quickly Adjourned — Annual Promised for Fall

Contrary to expectations in some quarters the special meeting of Marcus Loew's Theatres Ltd. in Toronto on July 27 was a very quiet and brief affair. There was some confusion as to legality of the proceedings and after a by-law changing the end of the fiscal year from January to August had been approved and a few general explanations, the meeting was quickly adjourned.

Legal Difficulties

It is now proposed to call the regular annual meeting at the end of the new fiscal year, which will mean that the shareholders will gather again in September or October. It was suggested that two annual meetings within a year would be illegal so that this last gathering and the one called by the board of directors for July 18 will no longer apparently be regarded as annual meetings.

Before the coming annual meeting the directors will have received the auditors' report and a full financial statement is expected. No opposition to the suggestion of certain shareholders to add new directors was manifested by the present board. It is understood that James Bicknell and Frank Kimbark have been selected by the preferred shareholders and that these two men will be elected to the Board almost immediately. It is reported that the shareholders' committee did not show as much voting strength at this meeting as at the one called shortly before by the board of directors, when the committee was successful in gaining an adjournment.

SINGER FIRMS SEEKING COVER IN PAST WEEK

(Continued from page 1)

thought I was doing somebody a favor and knowing that I was to have no interest in the company."

The solicitor also agreed that Morris Gerber was only the nominee for others.

Establishing a Price

There was also a proposal for an option in favor of Morris Gerber (who in this case also was nominee for others) for buying 300,000 shares; 100,000 shares at $2 a share over two years; 100,000 shares for the next 18 months at $2.50 a share; and 100,000 shares for a further 18 months at $3 a share, or five years in all. This was set forth as likely to net the treasury $750,000 over a period of five years and also would establish a price which would help sales of any vendor stock.

Most elaborate literature was prepared for aiding in the sale of Concordia Gold Mining Co. stock, notably a 34-page pamphlet telling not only about this company's property but the glories of gold mining in Canada with tables, charts, photographs and data both pertinent and not.

Letter From Starke Co.

The Financial Post is also in receipt of a letter from Robert Starke Co., which states that the inclusion of the words "& Co." after Col. Robert Starke's name as president and managing director of Concordia Gold Mining Co. might be understood as giving Robert Starke Co. an official connection with Concordia. The words, "& Co." The Financial Post assures Robert Starke Co., were entirely unintentional and it believes will appeal to all readers who notice them as an obvious error as no company is likely to be or has ever been named Col. Robert Starke & Co. However, The Financial Post did in its issue of July 21 carry the following sentence: "At about the same time there was organized a Montreal financial house known as Starke & Co. with Col. Robert Starke chiefly interested."

Robert Starke Co. wishes it emphasized in The Financial Post that "Robert Starke Co., Ltd., has never at any time, or in any way, either directly or indirectly, had any connection or anything to do with Concordia Mines or any other of the Singer organizations."

It is undoubted that Col. Robert Starke was president and managing director of Concordia Gold Mining Co.; and that he has also resigned due to illness. Robert Starke Co., Ltd. was organized February 1, 1934, and Concordia Gold Mining Co. on May 12, 1934. An official of Concordia Gold Mining Co. writes that Robert Starke Co. never handled a share of Concordia stock and that the personal ventures of Col. Robert Starke do not concern it as a company. He states that it is absolutely independent of affiliations or connections with any other house or organization.

The case of Concordia Gold Mining Co. itself still deserves attention. What an opportunity was left open to blacken Canada's mining fame by letting the Singer organization have a chance to dispose of a million or two of vendors shares while making a market at a high figure on a restricted lot of treasury shares?

Selling United Gold

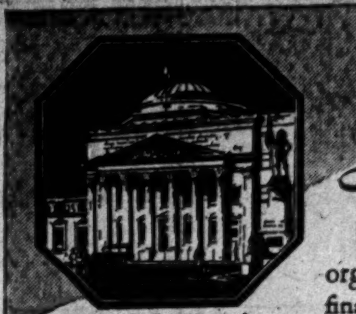
The campaign for selling United Gold Exploration shares in England is now in full swing. Long distance telephone conversations and personal calls from "optimistic but vague gentlemen" are reported by Investors Chronicle and Money Market Review of July 21, 1934, to be in full swing. The Financial Express, referred to in previous issues by The Financial Post, is sending out enthusiastic weekly installments regarding progress at the mine. Investors Chronicle readers report they are receiving copies free and getting as well free copies of Mining News of Canada, a Montreal publication whose services to the Singer companies were outlined in The Financial Post. This paper also tells about remarkable developments on the United Gold property.

The editor of The Financial Express is T. Charlton, and the latter is taking part in the share-pushing campaign. So is one A. W. Chignell. Investors Chronicle reports that directors in 1927 of the firm of outside brokers, known as Tyler, Wilson & Co., were T. Charlton, A. W. Chignell and A. W. Williams. This firm was compulsorily liquidated in 1931. It was alleged then that Williams was a nominee of the notorious share salesman, Jacob Factor, whose extradition from the United States was sought by Great Britain. The names may be only a coincidence but the Tyler Wilson enterprise was also worked in connection with a spurious financial paper called The Financial Recorder, which bears a strong family resemblance to The Financial Express now being published in England and Mining News of Canada in Montreal.

Who Make Quotations

In July 14 issue of The Financial Express T. Charlton describes United Gold Exploration shares as a most attractive mining proposition. He gives the price there as 5 shillings, 10½ pence. In Canada about July 6 United Gold was quoted at $1.10 in Toronto or about 4 shillings 4 pence. In Mining News of Canada July 28 L. J. R. Rowlands & Co., Ltd. (Toronto) "over the counter quotations" show $1.30 bid, $1.40 asked. It will be seen that quotations on this stock in recent weeks have been steadily advanced. Real and dependable information of a nature needed by an investor is still lacking in large measure. Mining News of Canada carries in a prominent place at the top of the front page—"United Gold Exploration has a new vein," and on page 3 a description by mining engineer R. E. Parkes, general manager of the company, of a five-foot wide vein on the surface. There is nothing in this as yet to explain the advance of these shares or to indicate what buying and selling is going on.

Maurice Singer's holding company, Associated Gold Mining & Finance Co. is quoted by L. J. R. Rowlands in the list already referred to at 75 cents bid, 80 asked. Plymouth Gold is quoted at 65 bid, 70 asked. It would be interesting to know how this latest quotation was arrived at because only 10,000 shares bought by Maurice Singer at 50 cents a share are now outstanding and the records of the Montreal Trust Co. do not show one single share to have changed ownership as yet.



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Bond Sales

Nanaimo-Duncan Utilities

Nanaimo-Duncan Utilities has sold $450,000 of 5½ per cent 30-year first mortgage bonds to W. C. Pitfield & Co. The bonds have been sold publicly at 93, yielding over six per cent.

Dominion of Canada

The Dominion Government has arranged sale of $50,000,000 of one-year, two per cent notes to a New York banking syndicate. The proceeds will be used to redeem the major part of a $60,000,000 note issue called for redemption Sept. 1.

Moncton Schools

Moncton school trustees have sold $100,000 of 20-year four per cent debentures to R. A. Daly & Co. at 97.07, a cost basis of about 4.22 per cent. Bids were requested for 15- and 20-year 4's and 15- and 20-year 4½'s. Bids on all four bases were as follows:

	4 per cent 15-yr.	4 per cent 20-yr.	4½ per cent 15-yr	4½ per cent 20-yr.
R. A. Daly & Co.	97.54	*97.07	102.04	102.38
E. Secs., Wood, Gundy & Co.	96.589	95.879	101.519	101.869
Bk. of Montreal	96.54	95.81	101.25	101.35
J. & Ward, Irving, Brennan & Co., Nesbitt, Thomson & Co., W. C. Pitfield & Co.	95.75	95.15	99.59	99.82
T. M. Bell & Co., A. E. Ames & Co.	96.77	....	....	....
Bell, Gouinlock & Co.	....	....	99.35	99.35

*Successful tender.

Investors Equity Corp. to Redeem 5½% Bonds

Outstanding 5½ per cent collateral trust bonds of Investors Equity Corp. will be redeemed at 104 and interest on Oct. 1, 1934.

Bonds are to be presented to the National Trust Co., Toronto, trustee for the issue with all coupons subsequent to April 1, 1934, attached.

CANADA BREAD COMPANY, LIMITED

AND ITS SUBSIDIARY

CONSOLIDATED BALANCE SHEET AS AT 30th JUNE, 1934

ASSETS

Cash on Hand and in Banks		$ 209,654.66
Accounts Receivable	$ 251,567.09	
Less: Reserve for Doubtful Accounts	60,000.00	
	$ 191,567.09	
Due from Officers and Directors	1,580.96	
		193,148.05
Investments in Marketable Securities at Cost (quoted market value at 30th June, 1934, $70,000)		72,697.50
Inventories—		
Ingredients and Finished Products	$ 80,241.80	
Supplies	18,366.70	
		98,608.50
		$ 574,108.71
Mortgages Receivable		30,539.68
Buildings and Equipment—		
Cost, including Additions to Date	$4,712,542.53	
Amount by which value was increased as a result of appraisal made by Sterling Appraisal Company at 30th June, 1923	930,578.46	
	$5,643,120.99	
Less: Reserve for Depreciation	2,367,178.39	
	$3,275,942.60	
Land	485,124.02	
		3,761,066.62
Prepaid Insurance, Taxes and Other Charges		51,460.20
Goodwill (less amounts written off)		2,354,865.02
		$6,772,040.23

LIABILITIES

Bank Loan		$ 180,000.00
Accounts Payable, including provision for Dominion and Provincial Taxes	$ 247,451.09	
Wages Accrued	23,886.12	
Reserve for Outstanding Bread Tickets	10,402.81	
Bond Interest Accrued	23,805.00	
		305,545.02
		$ 485,545.02
Deposits by Salesmen	$ 61,739.99	
Less: Cash and Government Bonds held in Trust	61,739.99	
First Mortgage 6% Sinking Fund Gold Bonds, due 1941, Outstanding	$ 978,300.00	
Less: Bonds held for redemption	26,100.00	
		952,200.00
Capital:		
Authorized and Issued—		
7% Non-Cumulative Redeemable Preferred— 12,500 shares of $100 each	$1,250,000.00	
7% Non-Cumulative Redeemable Class B Preferred— 25,000 shares of $100 each	2,500,000.00	
Common—of no par value— 200,000 shares	25,000.00	
		3,775,000.00
Earned Surplus (as per attached statement)		1,559,295.21
		$6,772,040.23

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Head Office accounts of Canada Bread Company Limited and its subsidiary and those of certain Branches, as at 30th June, 1934. The accounts of the remaining Branches are incorporated from the signed returns verified by the Companies' staff auditor.

Subject to this we report that in our opinion the foregoing Consolidated Balance Sheet correctly sets forth the position of the Company and its Subsidiary as at 30th June, 1934, according to the best of our information, the explanations given to us, and is in agreement with the books of the Companies.

CLARKSON, GORDON, DILWORTH, GUILFOYLE AND NASH,
Chartered Accountants.

Toronto, 26th July, 1934.

CONSOLIDATED SURPLUS ACCOUNT For the Year Ended 30th June, 1934

Balance of Consolidated Surplus Account at 30th June, 1933, comprising—		
Surplus, Canada Bread Company, Limited		$1,539,896.14
Reserve for Depreciation in value of Investments and Advances to Subsidiary Company provided before consolidation		275,000.00
		$1,814,896.14
Less: Deficit of Subsidiary		238,172.22
		$ 1,576,723.92
Consolidated Profit on Operations for the year ended 30th June, 1934, before providing for depreciation or the special provision for bad debts below	$ 237,663.74	
Interest earned on Investments	7,869.06	
	$ 245,532.80	
Less:		
Provision for Depreciation of Buildings and Equipment	235,351.51	
Net Consolidated Profit on Operations		10,181.29
		$1,586,905.21
Deduct:		
Special Additional Provision for Doubtful Accounts	$ 25,000.00	
Premium on Bonds Redeemed or held by the Company	2,610.00	
		27,610.00
Balance, Consolidated Surplus at 30th June, 1934		$1,559,295.21

CONSOLIDATED BALANCE SHEET AS AT 30th JUNE, 1933

ASSETS

Cash on Hand and in Banks		$ 156,247.59
Accounts Receivable	$ 270,140.82	
Less: Reserve for Doubtful Accounts	45,000.00	
	$ 225,140.82	
Due from Officers and Directors	1,846.26	
		226,987.08
Investments in Marketable Securities, at Cost (quoted market value at 30th June, 1933, $61,885.00)		72,697.50
Inventories of Ingredients and Supplies		89,692.15
		$ 545,624.32
Mortgages Receivable		29,450.00
Buildings and Equipment—		
Cost, including Additions to Date	$4,706,835.84	
Amount by which value was increased as a result of appraisal made by Sterling Appraisal Company at 30th June, 1923	930,578.46	
	$5,637,414.30	
Less: Reserve for Depreciation	2,190,801.37	
	$3,446,612.93	
Land	485,124.02	
		3,931,736.95
Prepaid Insurance, Taxes and Other Charges		42,699.27
Goodwill (less amounts written off)		2,354,865.02
		$6,904,375.56

LIABILITIES

Bank Loan		$ 232,000.00
Accounts Payable, including provision for Dominion and Provincial Taxes	$ 283,472.30	
Wages Accrued	18,801.40	
Reserve for Outstanding Bread Tickets	13,220.44	
Bond Interest Accrued	24,682.50	
Preference Dividend Payable 15th August, 1933	21,875.00	
		362,051.64
		$ 594,051.64
Deposits by Salesmen	$ 49,807.48	
Less: Cash and Government Bonds held in Trust	49,807.48	
Mortgage Payable		6,400.00
First Mortgage 6% Sinking Fund Gold Bonds, due 1941, Outstanding	$ 987,300.00	
Less: Bonds held for Redemption	35,100.00	
		952,200.00
Capital:		
Authorized and Issued—		
7% Non-Cumulative Redeemable Preferred— 12,500 shares of $100 each	1,250,000.00	
7% Non-Cumulative Redeemable Class "B" Preferred— 25,000 shares of $100 each	2,500,000.00	
Common—of no par value— 200,000 shares	25,000.00	
		3,775,000.00
Earned Surplus (as per attached statement)		1,576,723.92
		$6,904,375.56

CONSOLIDATED SURPLUS ACCOUNT For the Year Ended 30th June, 1933

Balance of Consolidated Surplus Account at 30th June, 1932, comprising:		
Surplus, Canada Bread Company, Limited		$1,642,981.00
Reserve for Depreciation in value of Investments and Advances to Subsidiary Company provided before consolidation		250,000.00
		$1,892,981.00
Less: Deficit of Subsidiary		172,972.42
		$1,720,008.58
Consolidated Profit on Operations for the year ended 30th June, 1933, before providing for depreciation or the special provision for bad debts below	$ 237,131.46	
Interest earned on Investments	9,193.96	
	$ 246,325.42	
Less:		
Provision for Depreciation of Buildings and Equipment	236,610.08	
Net Consolidated Profit on Operations		9,715.34
		$1,729,723.92
Deduct:		
Special Additional Provision for Doubtful Accounts		30,000.00
		$1,699,723.92
Applied as follows:		
First Preference Dividend		87,500.00
Class "B" Preference Dividend		12,500.00
Dominion and Provincial Taxes		23,000.00
Balance Consolidated Surplus at June 30th, 1933		1,576,723.92
		$1,699,723.92

Maritime "Rights" Live Issue Despite Improvement in Business

Nova Scotia Commission Seeks to Estimate What Canada's Tariff Policy Has Cost Atlantic Provinces

By DONALD WALLACE

What has Canada's tariff policy cost Nova Scotia?

This, it is believed, will be the key problem to be solved by the newly-formed Royal Commission appointed last week to conduct an exhaustive enquiry into the economic welfare of Nova Scotia and its relations, financial and otherwise, to the Dominion of Canada.

The commission is composed of Professor J. H. Jones, head of the Department of Commerce at Leeds University, England, who will act as chairman; Dr. Alexander Johnston, C.M.G., Ottawa, former Deputy Minister of Marine and Fisheries, and Professor H. A. Innis, F.R.S.C., Associate Professor of Economic Geography at the University of Toronto. The first hearings will open in Halifax about August 8, when consideration will be given the brief prepared by Professor Norman McLeod Rogers of Queen's University on behalf of the provincial government.

Baby Duncan Commission

While bearing certain distinct similarities to the famous commission headed by Sir Andrew Rae Duncan which investigated Maritime ills in 1926, the present investigation is sponsored by the provincial rather than federal government, and it is said that this enquiry will deal particularly with matters which were touched lightly, or not at all, by the Duncan Commission. It is considered, however, that a secondary phase of the new investigation will be concerned with matters brought out by the original commission but not implemented to date.

Old Problems Still Remain

"The Maritime provinces have not prospered or developed either in population, in commercial, industrial, and rural enterprise as fully as the other provinces of Canada," said the report of the Duncan Commission published in 1926. Despite recent improved business conditions, in which the eastern provinces have shown themselves to be in an exceptionally strong position in relation to other sections of the Dominion, the feeling persists that this Duncan comment still largely holds true. The present commission is expected to go to the bottom of this problem and bring to light vital facts which will help to explain, and also to remedy, some of the long-standing ills.

It is difficult for an outsider in Canada to really grasp the significance of the term "Maritime Rights." It is something of an enigma which is tied up closely with the political, social, and economic background of the country. It has resulted in the growth of a certain "we" feeling in the Maritimes which has no counterpart in any section of the Dominion and [illegible] to explain a number of the distinct claims which are brought forward by the provinces by the sea. Although somewhat intangible, and difficult of definition, it has played a most important role in Maritime growth during the past decades.

Duncan Commission and Results

Much has been written of the recommendations of the Duncan Commission, but the fulfillment of these proposals is still a live issue in the Maritimes, and it is expected that the findings of the new commission will, in more than one instance, substantiate the Maritime claim that they have been let down in respect to the fulfillment of these pledges. They claim that these were not special considerations but merely a means of assistance to enable them to share equally in a greater Canadian development.

There is no denying that considerable improvement has come about through the proposals implemented, which amount to approximately 35 per cent of the total, but Maritimers feel there still remains much to be done to place these provinces on an equal plane with the newer sections of the Dominion. Improvement has been made in the railway service of Prince Edward Island, coal and coke subsidies have been granted, freight rates have been reduced by 20 per cent, harbor commissions established, subventions made on coal shipments, and interim lump sum payments made to the provinces, but the remainder of the thirty-odd recommendations of the report are yet to be implemented.

The old problem of the tariff favoring the central provinces at the cost of Maritimes still remains along with other grievances such as the lack of adequate credit facilities, lessening importance of representation in the federal parliament, lack of assistance to Nova Scotia fisheries, absence of a national fuel policy, and the diversion of Canada's export trade through American ports.

While a certain small group still have a tendency to blame all their ills on Confederation, there is a growing conviction among the leaders that the trend and nature of economic development generally throughout the last sixty years have made changes within the structure of Maritime business which are quite unrelated to the British North America Act, and which must be solved in the light of past experience and future prospects. It is this group, especially in Nova Scotia, which has taken the initiative to form the present commission to secure an impartial view of the effect of technological changes within Maritime industry itself as well as the influence on the development of Nova Scotia by Dominion fiscal policies.

Recent Progress Substantial

The new commission is commencing its duties at an appropriate time economically as well as politically, as the Maritimes were the last to enter the depression and the first to come out, thus providing the investigators with information during a full cycle of economic growth. While by no means experiencing a boom at the present time, they have made remarkable progress in the last few months, and at the present time are considered one of the brightest spots in the Dominion.

It has been said that adversity has brought out the initiative which once made the Maritimes the most prosperous area in Canada. They have been quick to grasp the opportunities of the Ottawa Agreements, and in respect to their lumber and fruit products, they are now cementing permanent trade opportunities which will prove of even greater importance in the coming years. Regardless of the advantages created for their products in export markets by a depreciated Canadian currency, it is readily admitted that increased aggressiveness of the Maritime people has been the dominant factor in their recent comeback.

Coal and Steel Situation

The coal fields of Cape Breton are the oldest and most productive in Canada and produce annually approximately 6,000,000 tons. Linked with steel operations they provide the basic foundation on which has been reared "Dosco," the largest industrial enterprise in Nova Scotia, and a most important contributor to the economic welfare of the whole province.

The production of coal in Nova Scotia for May, 1934, advanced 79.4 per cent to 599,360 tons from May, 1933, total of 334,007 tons. This monthly increase is also shown in the cumulative figures for the first five months of 1934 which show an increase of 891,882 tons over the same period of the previous year. Local consumption absorbs about one-third of the total while the remainder finds its way to central Canada, largely in the St. Lawrence region of Quebec province. The whole question of duties on American coal, and their effect on the marketing problems of the Nova Scotian product, will undoubtedly be considered thoroughly by the new commission in an effort to find a satisfactory solution whereby some real meaning will be given to the plan for a national fuel policy.

Steel operations are now running at the highest level since 1929 and give every indication of increasing, especially if the long-awaited replacement orders from the Canadian railroads materialize. "Dosco" is getting back into the export market and in 1933 shipped 25,308 gross tons compared with 237 gross tons in the previous year.

Activities of this huge enterprise have a direct bearing on the prosperity of the Atlantic province. The improvement in employment in the steel mills has helped general business conditions throughout Nova Scotia materially. Originally established on the basis of a government bounty, and long a patient sufferer in its unsuccessful attempt to compete in central markets because of the high cost of rail carriage and tariffs on allied products used in steel manufacture, which have proved beneficial to central producers, the industry in Nova Scotia is facing a critical period. At present operating in receivership, and with the future outlook better but by no means satisfactory, it hopes that Dominion tariffs and the steel situation will be an angle given thorough consideration by the investigators.

Port Business Improves

Canadian trade through Canadian ports—a phrase which had gradually come to be known for its pleasant euphony rather than intrinsic value—has at last taken on a real meaning. The ports of Halifax and St. John, long passed by in the export of Canadian products through American outlets, are now experiencing their greatest volume of peace time business. Traffic handled during the first five months of 1934 increased nearly 50 per cent over the corresponding period in 1933.

While shipping provisions as related to the Ottawa Agreements have assisted in swelling the volume of traffic moved it is admitted that much of the increase has been created by the persistent efforts of the port officials. Equipment at both ports is of an exceptionally high standard and Canadian exporters are finally realizing that facilities at Canada's Atlantic ports are on a par with those below the border and that through shipments can be handled with less expense and transshipment. This improvement in port business is gratifying to the Maritimes as it has always been felt that the ocean policy of the Dominion could, with proper organization, be co-ordinated with Maritime province trade so as to render a service to those interests in the Atlantic provinces which, by their nature, cannot enjoy much advantage from certain aspects of Dominion trade policy.

The Bluenose Fisheries

The fisheries are to the East what wheat is to the West. While the Nova Scotian fishing grounds are one of the most extensive in the world little has been done by the Department of Marine and Fisheries to assist the industry compared with the help given to the producers of wheat.

During the past few years there has been a decided decrease in the sale of Nova Scotia dried fish to the Mediterranean ports and the West Indies, due largely to depreciated currencies and the stiff competition of Norway, Newfoundland, and Great Britain. It has been a losing battle for the Atlantic fisherman and whether or not he will ever again establish himself in these markets is problematical at the present time. Compulsory grading of fish under government inspection has been suggested as a means by which to compete, but the industry is slow to adopt improvements, and unless something is done soon it will be beyond assistance of any real value.

The fresh fish trade, however, has compensated for these losses to some extent but it is also working under trying conditions. Their natural market in the New England states is closed by tariffs and the Canadian markets of Toronto and Montreal necessitate a long rail haul and considerable expense.

Suggestions for improvement include the appointment of a marketing board, the creation of easier credit facilities, research in the development of commercial fish products, and some type of an educational programme. The industry, with a total catch valued at $8,010,600 in 1933, is the oldest and third most important in Nova Scotia.

Gold Mining Comes Back

From being the first province in Canada to mine gold, Nova Scotia gradually fell back in the march of mining progress to a position of relative unimportance, due largely to unsound financing and lack of efficient mining methods. The first discovery was made in 1860 and the peak production was reached in 1902 with an output valued at $627,357, while the official total record of production to date is listed at approximately $20,000,000. During the past year there has taken place a decided revival in gold mining, assisted largely by two factors, the present high price of the yellow metal and the financial assistance being given the mining companies by the provincial government.

Dominion Subsidies

The Duncan Commission readily admitted that the Maritimes have a genuine claim to readjustment of the financial arrangements which exist between the Dominion and themselves in respect to grants for the machinery of governments and in relation to debt allowances. The terms of the readjustment are obviously a matter for detailed determination and assessment and it is quite certain that the present commission will thoroughly consider this important problem. Interim lump-sum increases have been made to the provinces annually since 1926, amounting to $875,000 for Nova Scotia, $600,000 for New Brunswick, and $125,000 for Prince Edward Island.

The difficulty of finding a suitable measuring rod to determine the just amount of these payments is clearly evident. The tax returns are not suitable and the situation in respect to tariffs is even more complicated. The recent settlement made by the federal parliament with the western provinces in respect to crown lands also raises another question of remuneration to the Maritimes as they claimed they have had no opportunity to share in these disbursements because of the lack of crown territories. This rather broad and complex question of Dominion payment to the province will likely prove one of the most difficult problems to be solved by the present commission.

Credit Ranks High

Despite the fact that the Maritimes are considered the least prosperous section of the Dominion, it is interesting to note that it is the one area in which there is a record of practically no defaults on municipal obligations. Ontario, wealthiest province in Canada has defaults approximately of 19.8 per cent, while the default record of the Maritimes is the best in the Dominion.

Provincial finances are also in a relatively strong position and the provinces are having no difficulty in meeting their obligations. While a small group in the Maritimes continue to talk of the legislative union of the provinces, little real credence is given to the proposal, as the citizens can amply show that the per capita cost of government in this section of the country compares favorably with that in the central and western provinces. It is the feeling in the east that certain other provinces in Canada might do well to reduce their own government operating costs before preaching of the benefits of union to the Atlantic provinces.

Importance of Agriculture

Agriculture is vital to Nova Scotia and gives work to approximately 31 per cent of the population of the province. It provides a large part of the export trade of the province, especially in apples, and is closely allied to shipping industry. Diversification and small farm units are the two chief characteristics of Maritime agriculture. Specialization has not become important because of the lack of any large urban markets such as are found in Ontario and Quebec. Here again, as in the fishing industry, Nova Scotia finds the natural outlet for its natural products is in the New England states rather than in the domestic area.

The question of a reciprocal treaty with the American states in respect to the exchange of certain natural products for manufactured articles has always been considered important in Nova Scotia. Shut out from these natural markets across the border by tariffs, with difficulties to meet in foreign overseas markets because of quota restrictions and depreciated currencies, and the obvious impossibility of gaining any substantial foothold for their natural products in the central provinces, the importance of reciprocity becomes quite evident.

While Nova Scotia is forced to purchase its manufactured products from the central regions, where they enjoy high protective tariffs, she claims to receive no compensatory advantages in respect to the sale of her own natural products in these markets. The new commission, in its study of the cost of Canada's fiscal policy in relation to the economic welfare of the Atlantic province, will naturally have to consider the reciprocity proposals as one method of assisting Nova Scotian development in the future.

Ottawa Very Interested
From Our Own Correspondent

OTTAWA.—Announcement of a new commission to make an exhaustive study into the economic welfare of Nova Scotia and the relations of that province financially and otherwise to the Dominion, has been received with great interest at Ottawa.

The announcement is recognized as the opening move in a new campaign for better terms from the Dominion. It is the latest chapter to be begun in the long and uncompleted book of "Maritime Rights." Whatever the new Jones Commission may recommend will become the basis for a renewed assault on the central government. And the annual estimates bear eloquent testimony to the fruits borne by the last Royal Commission—the so-called Duncan Commission.

Bill is Large One

One item of $2,140,000 was voted to meet expenditures incurred by the enactment of the Maritime Freight Rates Act and another $875,000 is the subsidy, additional to the statutory subsidy of $653,048.28, which resulted from the Duncan report. The other Maritime Provinces gained equally generous concessions. It is well understood, here, that the Dominion cannot discriminate as between the Maritime Provinces and that anything which Nova Scotia may gain as a result of the new enquiry will go, also, to New Brunswick and Prince Edward Island.

Purely Provincial

It is recognized, of course, that the new commission will possess an entirely different status to the Duncan commission. The latter was a Federal creation and the Dominion was obligated, more or less, to carry out its main recommendations. The former is purely a provincial creation and the Dominion is in no sense bound to give favorable consideration to its findings.

The announcement is of interest, apart from the political possibilities, for the reason that it reveals courage on the part of Premier Angus Macdonald. The commission is by no means a partisan one. Prof. J. H. Jones, the chairman, is from Leeds University, England, and is not intimately acquainted with Nova Scotia's problems, could scarcely have any bias one way or the other. Dr. H. A. Innis, of Toronto University, is not a "bluenose," and may be expected to approach the problem in an entirely judicial manner.

Alex. Johnston, the third commissioner, is a native of Richmond County, Nova Scotia, was a Federal member (Liberal) for Cape Breton and from 1910 to 1932 was a high official of the Dominion government, resident at Ottawa. While thoroughly familiar with the economic background of his native province, Mr. Johnston is equally well informed regarding national affairs and could not be said, in any sense of the word, to be a partisan.

Impressed by Fairness

The fairness with which the personnel of the commission has been selected has impressed Ottawa and it is felt that Premier Macdonald has taken substantial political risk in submitting what will be, after all, a political question to such an independent tribunal.

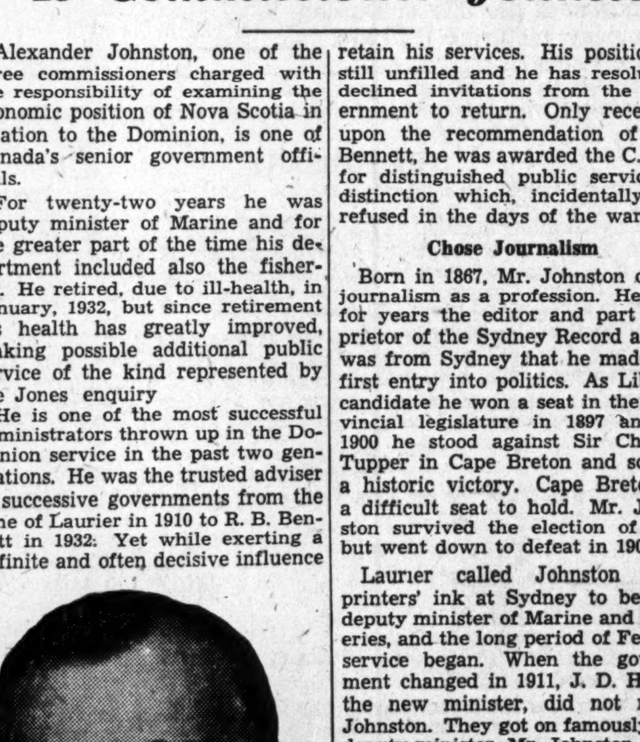
The one great weakness in the arrangement, it is pointed out here, is that the evidence to the commission will be one-sided. It is most unlikely that the commission will hear any testimony in Nova Scotia antagonistic to possible claims for more generous treatment. Looked at from a purely provincial viewpoint, the problems of Nova Scotia, it is held, are quite different in aspect than if regarded from a national standpoint.

Fine All-Round Canadian Is Commissioner Johnston

Alexander Johnston, one of the three commissioners charged with the responsibility of examining the economic position of Nova Scotia in relation to the Dominion, is one of Canada's senior government officials.

For twenty-two years he was deputy minister of Marine and for the greater part of the time his department included also the fisheries. He retired, due to ill-health, in January, 1932, but since retirement his health has greatly improved, making possible additional public service of the kind represented by the Jones enquiry

He is one of the most successful administrators thrown up in the Dominion service in the past two generations. He was the trusted adviser of successive governments from the time of Laurier in 1910 to R. B. Bennett in 1932. Yet while exerting a definite and often decisive influence upon governmental policy, he invariably sought to efface himself from the official picture. Apart from his career, he is a man of broad interests, a delicious sense of humor, a rare tact in handling individuals, a maker and keeper of enduring friendships.



ALEXANDER JOHNSTON

His retirement in 1932 was voluntary. He left despite repeated efforts of the Bennett government to retain his services. His position is still unfilled and he has resolutely declined invitations from the government to return. Only recently, upon the recommendation of Mr. Bennett, he was awarded the C.M.G. for distinguished public service—a distinction which, incidentally, he refused in the days of the war.

Chose Journalism

Born in 1867, Mr. Johnston chose journalism as a profession. He was for years the editor and part proprietor of the Sydney Record and it was from Sydney that he made his first entry into politics. As Liberal candidate he won a seat in the provincial legislature in 1897 and in 1900 he stood against Sir Charles Tupper in Cape Breton and scored a historic victory. Cape Breton is a difficult seat to hold. Mr. Johnston survived the election of 1904 but went down to defeat in 1908.

Laurier called Johnston from printers' ink at Sydney to become deputy minister of Marine and Fisheries, and the long period of Federal service began. When the government changed in 1911, J. D. Hazen, the new minister, did not retire Johnston. They got on famously. As deputy minister, Mr. Johnston played his part, and no mean part, in the rapid development of the past two generations. The magnitude of his public services is known only to those closely associated with him; to members of successive cabinets.

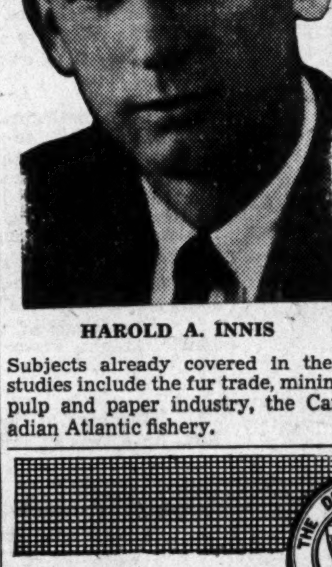
Is All-round Canadian

By training and his later environment Alex. Johnston is a Canadian in the broadest sense of the word. Born a Maritimer, schooled in the political cockpit of the seagirt provinces, the problems of Nova Scotia are to him an old, old story. Coal, fruit and fish—these are the three ingredients of which the problem consists. Would Nova Scotia have been better off outside or inside the Canadian Confederation?

Mr. Johnston's views have softened with the years. There was a time, no doubt, when he would have answered the question in no uncertain manner. But it may be doubted if he longer views provincial problems in a sectional way. It may, equally be doubted if his name will ever be appended to a report which seeks to place unreasonable financial or other obligations upon the Dominion government.

New Commissioner H. A. Innis Is Keen Student of Canada

In Harold A. Innis, Ph.D., F.R.S.C., the authors of Nova Scotia's new Royal Commission have chosen one who has spent a short busy life steeped in the economic lore of the Dominion of Canada. Undoubtedly he is rapidly carving a niche for himself as one of the fathers of economic history in Canada. Under his aegis in the past ten years there have been prepared at the University of Toronto a series of studies and books covering the staple industries of Canada and which constitute an invaluable source of original data on the economic growth of this country.



HAROLD A. INNIS

Subjects already covered in these studies include the fur trade, mining, pulp and paper industry, the Canadian Atlantic fishery.

Born at Otterville, in Oxford County, near Woodstock, Ont., in 1894, he graduated from MacMaster University in 1916; went overseas and completed his Masters degree in 1918 on the unusual topic "Occupations in the Army." Dr. Innis doubts if the university ever kept a copy of the document. "It was one of those war degrees," he says.

A few years later at the University of Chicago he achieved a doctor's degree by reason of a monumental "History of the C.P.R.," which runs to some 400 pages and is still widely used by students of Canada's transportation and economic problems.

Not Armchair Economist

He is no armchair economist. Each summer he packs his bag and starts off to learn at first hand about some part of Canada in which he is interested. These trips have taken him up and down the great Mackenzie River; to the Yukon; to Hudson's Bay, as well as to all the more settled regions of the Dominion. He has been a constant visitor to the Maritime provinces in search of first-hand economic data.

Much of his time in recent years has been devoted to the question of the incidence of the tariff on the economic history of Canada—particularly as it affects the Western provinces. Since this is one of the major problems to be probed by the new Nova Scotia Commission, in respect of the Maritime economy, the choice of Dr. Innis as one of the commissioners is particularly fortunate.

Dr. Innis is associate professor of economic geography at the University of Toronto. Tall, a bit stooped and of youthful but shaggy mien, he looks a typical story-book economist as he sits in his office surrounded by a profusion of papers, books and other implements of his calling. He is married and has four children.

Contract Awards Decline in July Below '33 Level

Construction contracts awarded in July amounted to $11,190,500, about $1,000,000 less than the total for June and $1,450,000 less than the amount recorded for July a year ago, according to the compilation of MacLean Building Reports. Only small amounts of public works are included in the July total. It is obvious that there has been little pick-up in private enterprise although loan companies report funds available for new projects.

Ontario accounted for $4,904,000 of the month's total and Quebec $3,086,300. All other provinces had less than $1,000,000 each, but only Prince Edward Island failed to improve on its June position. The loss in July was accounted for entirely by a drop of about $3,000,000 in the Ontario total

Placing of contracts under the $40,000,000 government building plan should start in August and make the totals for the balance of the year somewhat higher than during the first seven months. In addition, it is reported that one or two large private contracts are being considered which may be started this year.

Car Loadings for the week ended July 21 amounted to 44,751 cars, a decrease of 638 cars from the previous week but 5,762 cars greater than in the corresponding week of 1933.

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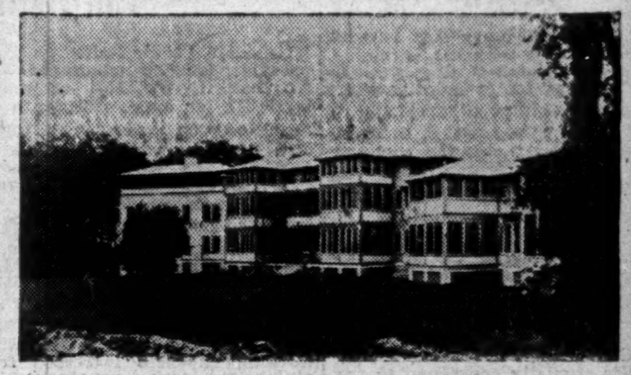

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Utilities and Transportation

CITY JOCKEYING OVER PURCHASE WINNIPEG ELEC.

Council Shuns Arbitration Which Company is Seeking

From Our Own Correspondent

WINNIPEG.—Jockeying for position continues between the Winnipeg city council and the Winnipeg Electric Co.

In accordance with the city's request, the company has furnished it with some information as to its equipment and resources, but this the city's representatives have found inadequate on which to base an offer, as planned, for purchase of the company's assets.

Company's Response

In response to a request for more information the company has asked for an assurance that the city intends to proceed with purchase, if a basis for purchase can be found. This is an assurance which the city is unable to give, for under present conditions the possibility of the ratepayers of the city sanctioning the purchase of all the company's power developments and distribution system, unless an obviously bargain price should be available, is remote.

The city council is determined to avoid the position of entering arbitration proceedings to determine a price for all or any part of the company's property, and the company seems equally determined to avoid purchase negotiations which are not based on arbitration.

Legislative Position

The last session of the legislature dropped a proposal, because of city opposition, for a new plan to regulate the operation of the street railway system, which would have reduced the amount of money the company is annually compelled to pay the city in taxes, for paving and for snow removal. If negotiations now in progress are not further advanced by the time the legislature next meets, no doubt the legislation in question may again be advanced, by which time the city's position in opposition may be weakened.

Latest Developments

A by-law has now been introduced in the Winnipeg city council setting forth the desire of the council to negotiate for the purchase of the company's transportation and power facilities That step is not to be regarded as making any material change in the situation, so far as advancing the question of purchase is concerned, but appears to be intended to justify the city's claim for more information as to the affairs of the company, as a basis for discussion of purchase which might develop.

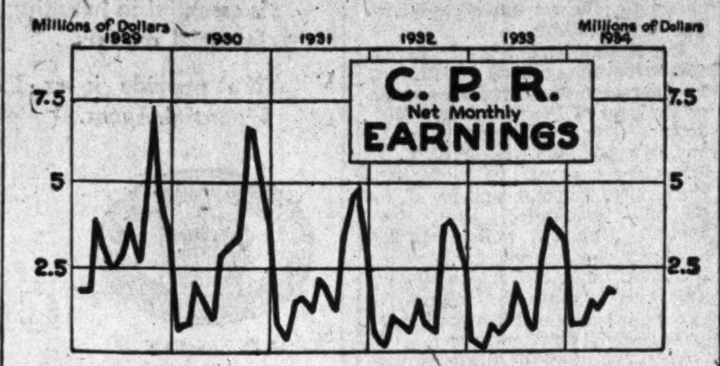
There is a gleam of hope for the company in the suggestion made in the Bradshaw report on civic finances to the effect that city hydro rates for power and light should be advanced in order to wipe out the operating deficit experienced during the past two years Such a step would involve a similar advance in rates charged customers of the Winnipeg Electric. There is little likelihood of the city council agreeing to this action, as spokesmen for the city hydro still insist that the deficits in question will be non-recurring, and are only transitional on account of the enlargement of power development, temporarily beyond actual needs. When the city's contract with the Winnipeg Electric for a block of power expires within a few years, it is claimed that the city hydro will be able to take care of all costs, including depreciation at present rates.

June Electric Output 15 Per Cent Above 1933

Central electric stations failed, in June, to maintain their rate of output during May, the total declining to 1,708,291,000 kilowatt hours from 1,804,615,000. The index number, however, adjusted for the number of days in each month and other seasonal factors, was 179.43 and was exceeded only by 182.43 for May.

Exports to the United States increased from a daily average of 3,581,000 kilowatt hours in May to 3,788,000 kilowatt hours, and deliveries to electric boilers declined from a daily average of 1,479,000 kilowatt hours to 1,396,000 kilowatt hours. Total production less exports and deliveries to electric boilers amounted to 1,175,802,000 kilowatt hours and the index number at 157.54 was also second only to that of May and was 21 points or 15 per cent above the June, 1933, index number.

C.P.R. Earning Trend Better



A much smaller than usual seasonal decline of spring earnings featured operations of the Canadian Pacific Railway Co. in the first half of 1934. If 1934 grain movement approximates the comparatively low volume of 1932 and 1933, there appears to be a probability that earnings this year will better those of 1933.

Canadian Pacific June Net First Break In 1934 Gain

But Total Earnings For First Six Months Nearly Double Same Period in 1933—Must Wait For Fall Traffic For Full Story

Canadian Pacific Railway Co. net earnings for the month of June amounted to $1,755,579 as against $2,049,387 for June, 1933, or a decrease of over 14 per cent. Gross of $10,009,263 showed a decrease of $430,367 while working expenses of $8,253,684 were down $136,559 from the same month a year ago.

For the first six months of the current year, however, a big gain in net earnings is reported with $8,054,412 earned in 1934 as against $4,861,140 for the first half of 1933. There was an increase of nearly 13 per cent in gross earnings to $57,210,680 while working expenses increased from $45,862,355 in 1933 to $49,156,268.

	1934 $	1933 $
June:		
Gross earnings	10,009,263	10,439,630
Working expenses	8,253,684	8,390,243
Net earnings	1,755,579	2,049,387
Six Months Ended June 30:		
Gross earnings	57,210,680	50,723,495
Working expenses	49,156,268	45,862,355
Net earnings	8,054,412	4,861,140

June First Break

June was the only month so far reported this year where the net earnings fell below the same month a year ago. Previous to that gains were impressive though as the accompanying chart shows there is little connection between the earnings of the first half of the year and total for the 12 months because the most profitable traffic invariably occurs in the last four months of the year. So far this year the dip in February and March has not been as pronounced as in 1933 but it will depend largely on the Western wheat crop as to the extent of the expected bulge in September, October, November and December.

Total net earnings in 1933 amounted to almost $21,000,000 when 92 cents was earned on the preferred stock and to $25,682,872 in 1931 when that stock earned $10.08 per share and the ordinary 63 cents.

Peak Gets Broader

Looking back over the last five complete years shown in the accompanying chart one significant trend noted is the broadening of the peak of net earnings. In 1929 this came to a sharp point in October with $7,309,836 earned, but fell off rapidly in the next month. The next year the business was almost equally divided between September and October. In 1931 another big month was added, November, while since then the period of heavy earnings has been spread over a still wider area.

NATIONAL LIGHT & P. INCREASES EARNINGS

Bond Interest Well Covered in First Six Months of 1934

Net profits of National Light & Power Co. available for first mortgage bond interest of $60,000 in the first six months of 1934 totalled $101,827, compared with $96,663 in the 1933 period, according to a report issued by McLeod, Young, Weir & Co., underwriters of the bonds. The company operates the electric light and power systems in Moose Jaw and expects to benefit from power deliveries to the new $500,000 refinery of the British American Oil Co. in the Saskatchewan city.

In the six months, first mortgage interest was earned 1.90 times before depreciation, compared with 1.81 times in the same 1933 period. After depreciation, the respective figures are 1.70 and 1.61. Output for the six months was 9,639,043 kw.h. compared with 8,970,080 kw.h. in the 1933 period.

Earnings comparison for the six months follows:

Earnings to June 30	1934 $	1933 $
Gross earn.	241,282	234,303
Other income	1,317	3,273
Gross income	242,599	237,576
Less: Expenses	115,408	115,923
Depreciation	12,064	11,715
Taxes	13,300	13,275
Net income	101,827	96,663
Bond interest	60,000	60,000
Net profits	41,827	36,663

Bell Telephone Salaries at Pre-depression Level

Bell Telephone Co. of Canada restored its second and last 5 per cent wage cut to employees throughout the Dominion on Aug. 1, it is announced by the company.

The change places employees back on the full pre-depression salary scale.

C. P. R. ISSUES BECOME LEGAL LIFE HOLDINGS

Convertible 4's and 6's Legal Investments for Insurance Firms

By a recent amendment to the Canadian and British Insurance Companies Act, the convertible 4 and 6 per cent debentures of the C.P.R., secured by deposit of the company's debenture stock, are included among legal investments for life insurance companies in Canada.

The amendment was made at the close of the last session of Parliament, shortly after flotation of $12,000,000 of the convertible debentures. The C.P.R. still owes some $48,000,000 to chartered banks under the Dominion Government's guarantee. The amendment may assist the company to sell further debentures to liquidate this loan when conditions are considered favorable.

Terms of Amendment

The amendment included among securities that are legal investments for life insurance companies, the following: "The debentures, debenture stock or other evidences of indebtedness of any corporation which are fully secured by statutory charge upon real estate or upon plant and equipment of such corporation used in the transaction of its business, provided interest in full shall have been paid regularly for a period of at least ten years immediately preceding the date of investment in such debentures, debenture stock or other evidences of indebtedness upon the securities of that class of the corporation then outstanding; or the bonds or other evidences of indebtedness of such corporation which are fully secured by mortgage or hypothec to a trustee of securities of the class hereinbefore in this sub-paragraph first mentioned."

The latter part of the clause clearly makes the C.P.R. convertible issues legal insurance investments.

Public Utility Earnings

Canada Northern Power Corp.

	1934 $	1933 $	Increase $
June:			
Gross earn.	338,621	299,509	39,112
Oper. exps.	116,516	93,717	22,799
Net earn.	222,105	205,792	16,313
6 Mos. end. June 30:			
Gross earn.	2,002,200	1,787,276	214,924
Oper. exps.	659,648	547,558	112,090
Net earn.	1,342,552	1,239,718	102,834

Barcelona Traction, L. & P. Co.

	1934 Pesetas	1933 Pesetas	Incr. %
June:			
Gross earn.	8,582,781	8,624,177	*0.48
Oper. exps.	3,275,471	2,929,909	11.79
Net earnings	5,307,310	5,694,268	*6.80
6 Mos. end. June 30:			
Gross earnings	59,035,149	57,147,715	3.30
Oper. expenses	20,941,135	18,980,389	10.33
Net earnings	38,094,014	38,167,326	*0.19

* Decrease.

Railway Earnings

Canadian Pacific Railway

	1934 $	1933 $	Incr. %
June			
Gross earn.	10,009,263	10,439,630	†4.12
Working exp.	8,253,684	8,390,243	1.63
Net earn.	1,755,579	2,049,387	†14.34
6 Months Ended June 30:			
Gross earn.	57,210,680	50,723,495	12.79
Working exp.	49,156,268	45,862,355	7.18
Net earn.	8,054,412	4,861,140	65.69

† Decrease.

Canadian National Railway

	1934 $	1933 $	Incr. %
June			
Gross rev.	13,915,447	13,526,022	2.88
Oper. exp.	12,927,154	12,540,127	3.09
Net rev.	988,293	985,895	0.24
6 Months Ended June 30:			
Gross rev.	79,496,747	67,474,871	17.82
Oper. exp.	75,118,206	70,453,853	6.62
Net rev.	4,378,541	*2,978,892	246.98

* Deficit.

MORE DIVIDENDS DUE THIS MONTH HELP INVESTORS

August Interest, Dividend Payments Total $22,469,588

Dividend and interest payments to Canadians in August will total $22,469,588, according to The Financial Post's compilation. This represents an increase of slightly over $500,000 over the total of $21,956,948 for August, 1933.

The August interest and dividend list is one of the smallest of the year, as is usually the case.

Mining dividends are among the major influences in increasing the total disbursements. Buffalo Ankerite will pay five cents a share in August. Hollinger Cons. swells the total by maintaining its five cents extra dividend monthly. Toburn Gold also helps with a two cent payment.

First Common Dividend

Champlain Oil Products will contribute $15,000 to the increase by paying the first quarterly dividend of 10 cents a share on the common stock. Langley's is maintaining the full rate on its preferred shares, and Cosmos Imperial is also preventing arrears from accumulating.

The list of payments that have been announced follows:

Summary of Payments

	1934 $	1933 $
Dividends	4,463,924	3,259,618
Bond interest	18,005,664	18,697,330
Total	22,469,588	21,956,948

DIVIDEND PAYMENTS

Company:	Rate	Date	Amount
Beatty Bros. 1st pfd.	$1.50q	1	$16,179
Belding-Corticelli, c.	$1q	1	7,495
Blue Ribbon, pfd.	50c.q	1	14,397
B.C. Telephone, 2nd pf.	$1.50q	1	67,500
Buffalo Ank. Gold, c.	5c.s	15	27,000
Calgary Pwr., pfd.	1½q	1	90,000
Canadian Bronze, c.	15c.q	1	12,000
Do., pref.	1¼q	1	12,600
Can. Converters, c.	50c.q	15	8,668
Can. Dredge & Dock, pf.	1¾q	1	1,459
Canadian Oil Cos., c.	12½c.q	15	17,971
Champlain Oil Prod., c.	10c.	15	15,000
Do., pref.	15c.q	15	75,000
Cosmos Imp. Mills, pf.	87½c	15	11,850
Do., arrears	87½c	15	11,850
Dominion Bridge	50c.q	15	256,951
Guelph Carpet, pfd.	1¾%q	1	11,392
Hollinger Cons. G. M.	5c.m	13	246,000
Do., extra	5c.	13	246,000
Hydro-Elec. Secs., pf.	25c.s	1	211,500
Imperial Bank	2½%q	1	175,000
Inter. Nickel, pfd.	1¾%q	1	478,487
Inter. Utilities, pfd.	87½c.q	1	18,027
Do., pfd.	43¾c.q	1	47,616
Langley's, pref.	1¾%	15	9,970
Model Oils	3c.	18	24,615
Mort. Corp. of N. S.	1½%	1	11,880
National Biscuit, pfd.	1¾%q	31	434,078
Neon Prod. of West. Can., p.	75c.q	1	2,515
Nipissing Mines	12½c.	15	150,000
Northwest Inv. & H.	$1.50q	1	12,750
Penman's	75c.q	15	48,389
Do., pref.	1½%q	1	16,125
Quebec Power	25c.q	15	138,299
Russell Motor, pfd.	$1q	1	12,000
Shawinigan W. & P.	12c.	15	261,390
Sherbrooke Trust	1½%q	1	4,500
Second Stand. Roy., p.	1%m	1	25,035
Simpson's, pref.	$1	1	112,500
Southern Can. Pwr.	20c.q	15	80,000
Steel of Canada	30c.q	1	138,000
Do., pfd.	43¾c.q	1	113,695
St. Lawrence Flour	37½c.q	1	4,500
Do., pfd.	1¾%q	1	10,062
Teck-Hughes	15c.q	1	721,071
Toburn G. M.	2c.	22	37,000
Weston, Geo., pfd.	1¾%	1	15,608
			$4,463,924

BOND INTEREST DUE IN AUGUST

Company:	Rate	Date	Due	Amount
Canada Bread	6	1	1941	$14,554
Canada Foundries	6	2	1942	2,097
Canada Machinery	6	1	1940	2,434
C. Nat. Ry. Eq. 'G'	5	1	Serial	225,000
Do., Gtd. Gold	5	1	1970	450,000
Do., Gtd. Gold	5	1	1954	1,250,000
Do., Gtd. Gold	4½	1	1956	1,575,000
Can. Nor. Rly.	4½	15	1935	382,500
Can. Vickers, A	6	1	1947	75,195
Confed. Amuse.	6½	1	1951	7,312
Dom. Bldg.	6½	1	1942	12,187
Dom. Tel. Secs.	5½	2	1978	27,500
Drumheller Coll.	7	1	1943	12,271
Dryden Paper	6	1	1949	42,840
Frontenac Oil	6½	1	1947	625,000
Federal Grain, A	6	1	1949	121,770
Georgetown C. Pap.	6½	1	1947	5,785
Ham. By-Product	7	1	1943	45,038
Holt Renfrew	6½	1	1937	14,430
Lincoln Pulp	7½	1	1942	24,895
Low, St. Law. Pr.	7	1	1947	23,264
Do., 2nd mtge.	8	1	1935	22,320
Maclaren Que. Pr.	5½	1	1961	330,000
Malagash Salt	6½	1	1947	16,250
Mtl. Dry Docks	6	1	1948	16,935
Restigouche, A	5½	1	1948	149,250
Shawinigan, C	5	1	1970	374,500
Do., E	5	1	1972	442,800
Do., Notes	6	1	1937	121,605
Wood, Alex. & J.	6	1	1944	8,370
United Corp., inc.	5	15	1953	112,472
Zimmerknit, 1st	6	1	1951	7,500
Do., 2nd mtge.	6	1	1961	15,000
Corporation				6,556,074
Provincial				3,426,177
Municipal				1,701,505
Dominion				6,321,908
Total				$18,005,664

Public Utility Earnings

Jamaica Public Service Ltd.

	1934 $	1933 $	Incr. $
June:			
Gross earn.	69,515	63,339	6,176
Net earn.	27,200	22,806	4,394
Surplus after chgs.	18,158	13,511	4,647
6 Mos. end. June 30:			
Gross earn.	410,594	400,696	9,898
Net earn.	162,872	160,842	2,030
Surplus after chgs.	107,778	105,080	2,698
12 Mos. end. June 30:			
Gross earn.	812,157	795,692	16,465
Net earn.	329,137	332,204	*3,067
Surplus after chgs.	216,191	220,638	*3,447

* Decrease.

Minneapolis, St. Paul & S. S. Marie Ry. Co. Soo Line

	1934 $	1933 $
6 Mos. end. June 30:		
Oper. revenue	5,816,981	5,573,816
Less: Oper. exps.	5,389,657	5,169,638
Net oper. revenue	427,324	404,178
Less: Taxes & uncoll. railway rev.	510,934	530,062
Ry. oper. rev.	†83,610	†125,884
Non-oper. inc.	*378,216	*401,301
Gross income	†461,826	†527,185
Less fixed chgs.:		
Hire of equip.	*58,213	*19,921
Term. rental	103,101	97,412
Funded debt int.	2,555,199	2,488,897
Net deficit	3,061,913	3,093,573

† Deficit. * Debit. * Credit.

W. C. Rly. Co.

	1934 $	1933 $
6 Mos. end. June 30:		
Oper. revenue	4,869,119	4,196,300
Less: Oper. exps.	3,757,457	3,609,392
Net oper. revenue	1,111,662	586,908
Less: Taxes & uncoll. railway rev.	388,483	366,360
Ry. oper. rev.	723,179	220,548
Non-oper. inc.	*164,976	*135,276
Gross income	558,203	85,272
Less fixed chgs.:		
Hire of equip.	400,798	336,369
Term. rentals	275,694	281,030
Fund. debt int.	921,402	952,683
Net deficit	1,039,691	1,484,811

* Debit.

Manitoba Power Co.

	1934 $	1933 $	Incr. $
May			
Gross earn.	105,466	101,764	3,702
Oper. exps.	22,845	22,185	660
Net earn.	82,621	79,579	3,402
June			
Gross earn	105,732	103,869	1,863
Oper. exps.	23,197	22,571	626
Net earn.	82,535	81,298	1,237
Six Months Ended June 30:			
Gross earn.	633,754	617,965	15,789
Oper. exps.	134,757	136,398	*1,641
Net earn.	498,997	481,567	17,430

* Decrease.

POWER CORP. GROUP INCREASES OUTPUT

June Increase 8% — Six Months Improvement in Output 8½%

Total power output of subsidiary and affiliated companies of Power Corp. of Canada showed an increase of 8 per cent in June over the same months of 1933.

Total power output in June amounted to 134,384,476 kw.h. as against a comparative figure of 123,927,775 kw.h. in June, 1933. For the first six months of this year, total output was 899,640,533 kw.h. compared with 828,093,534 kw.h. for the same period last year, an increase of over 8½ per cent.

Comparative figures for June follow:

	1934 kw.h.	1933 kw.h.
Sou. Canada Pwr.	15,961,990	14,533,170
Can. Northern Pwr.	42,883,184	38,518,590
E. Kootenay Pwr.	4,758,988	5,972,760
B. C. Power	34,110,194	33,357,555
North. B. C. Pwr.	855,420	835,980
Winnipeg Elec.	17,192,200	17,198,200
Manitoba Power	18,533,000	13,434,000
Northwestern Pwr.	89,500	77,520
	134,384,476	123,927,775

Algoma Steel Corp. More Active in 1934

Business of Algoma Steel Corp. is much better than it was a year ago, but there has been an appreciable decline compared with a few months ago, according to T. F. Rahilly, assistant to the receivers. Algoma Steel Corp. is one of the chief subsidiaries of Algoma Consolidated Corp., which is in receivership.

"Our industry," says Mr. Rahilly, "feels the lack of purchasing power of the railways and, while deferred purchases are accumulating rapidly, unless general business picks up appreciably the needs of the railways for rails, new equipment, etc., will not materialize in orders. The automotive industry contributed largely to the industrial pick up in the first six months of 1934, but orders from that source have fallen off within the last 60 days although some business is still being placed."

Canadian National Net Improves by $7,357,523

From Our Own Correspondent

MONTREAL.—Canadian National Railways had net revenue of $4,378,541 for the first half of 1934 as compared with a net loss of $2,978,981 for the first half of 1933. This is an improvement of $7,357,522. June revenue of both years was almost identical, June of 1934 having the advantage by only $2,398. Operating revenues for the system in June, 1934, were $13,915,447, an increase of $389,425, while operating expenses increased $387,027 to $12,927,154 from June, 1933.

Operating revenues for the six months period increased by $12,021,876 to $79,496,747, while the increase in operating expenses over the 1933 period was $4,664,353 to $75,118,206.

METAL INDUSTRIES REPORT GOOD GAIN IN 1934 BUSINESS

Hopeful of Outlook for Latter Half of Year

Firms engaged in the metal working industries experienced a general improvement of about 50 per cent in sales during the first half of 1934 as compared with the same period of 1933, a survey of individual results made by Canadian Machinery, Toronto, indicates. All concerns contacted reported higher sales, percentage increases ranging downward from 160 in the case of Hudson Motors.

Although percentage increases are not available for all the firms which co-operated, many interesting ones were obtained. These are shown in the following table:

Sales Increase in First 6 Months of 1934 as Compared with Same Period, 1933

	Increase %
Beatty Bros.	41
Massey Harris	30
Sheldons Ltd.	50
Arthur Jackson Machine Tool	125
Williams Tool Corp.	100
Viking Pump Co.	75
Can. Toledo Scale	54
Sorel Steel Foundries	25
Babcock-Wilcox	100
Hudson Motors	160

Individual Reports

Among those concerns which merely indicated their sales improvement, the following are outstanding:

Canada Foundries & Forgings, Ltd.—"Business conditions at our two plants in Welland, heavy forge and drop forge, have shown a very decided improvement over last year, and increases have been consistent month by month to date."

John Bertram & Sons Co.—"We have more men working this last few months than we have had for a couple of years but so far business is not of a permanent nature. Most of the work going through is repair work on our own machines and for various other plants."

Canada Wire & Iron Goods Co.—"We would say that there has been a very marked improvement in business conditions. Some of our lines are seasonal, the sale of which depends on weather conditions. Fortunately for us, these conditions have been favorable. Export business is also showing a very steady gain."

Need Railway Buying

Algoma Steel Corp.—"Business today is much better than it was a year ago, but there has been an appreciable decline as compared with a few months ago.

"Our industry feels the lack of purchasing power of the railways and, while deferred purchases are accumulating rapidly, unless general business picks up appreciably, the needs of the railways for rails, new equipment, etc. will not materialize in orders."

Hopeful For Future

On the outlook for the second half of 1934, almost all concerns are unanimous in expecting a quiet period during the later summer months but are hopeful of further revival in the late autumn and early winter.

POWER PRODUCTION SHOWS MARKED GAIN

★

Production of hydro-electric power in Canada for the first six months of 1934 was 28% greater than the production for the first six months of 1933.

This gain is significant as a measure of general industrial activity and an indication of better earnings for Public Utility Companies.

We believe the securities of established Light and Power Companies represent one of the safest forms of investment, and recommend

Security	Rate	Maturity	Approx. Yield
B. C. Power Corporation	5½%	1960	5.20%
Calgary Power Company	5%	1964	5.20%
Canada Northern Power Corp.	5%	1953	5.27%
Gatineau Power Company	5%	1956	5.54%
Shawinigan Water & Power Co.	4½%	1967	4.90%

NESBITT, THOMSON and Company Limited

355 St. James Street West, Montreal

Branches in all the principal cities of Canada

179

Canada Atlantic Railway Company

4% First Mortgage Bonds

Due January 1st, 1955

Payable in Canada, New York or London, Eng.

Canada Atlantic Railway Company, First Mortgage Bonds have been assumed and unconditionally guaranteed by the Canadian National Railway Company. Interest has been paid regularly for twenty-nine years.

With the trend of interest rates continuing downward, these Bonds yielding 5.07% merit the attention of investors desiring security combined with high interest return.

Price: 86.50 and interest, to yield 5.07%

Mail orders receive careful attention.

Wood, Gundy & Company Limited

Toronto, Montreal, Winnipeg — 36 King Street West, Toronto, Phone: Elgin 4321 — Vancouver, New York, London, Eng.

Abitibi Power & Paper Company, Limited

TORONTO, ONT.

Owning and operating mills at

Beaupré, Que. — Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. — Iroquois Falls, Ont.
Espanola, Ont. — Smooth Rock Falls, Ont.
Pine Falls, Man. — Fort William, Ont.

Daily Capacity 2,200 Tons Newsprint

Groundwood Pulp — News Sulphite Pulp

High Grade Bleached Sulphite Pulp

COTTON

FABRICS & YARNS

Basic raw materials for many Canadian Industries.

DOMINION TEXTILE

Company Limited

MONTREAL TORONTO HAMILTON WINNIPEG VANCOUVER

New Issue

$450,000

Nanaimo-Duncan Utilities, Limited

5½% First Mortgage 30-Year Sinking Fund Bonds, Series "A"

Dated July 2nd, 1934 — Maturing July 2nd, 1964

Principal and semi-annual interest (July 2nd and January 2nd) payable in lawful money of Canada at The Royal Bank of Canada at Vancouver, Victoria, Winnipeg, Toronto, Montreal, Saint John and Halifax. Coupon Bonds in denominations of $1,000 and $500, with privilege of registration as to principal. Redeemable as a whole or in part on any interest date at 105% up to and including July 2nd, 1939; 104% up to and including July 2nd, 1944; 103% up to and including July 2nd, 1949; 102% up to and including July 2nd, 1954; 101% up to and including July 2nd, 1959; thereafter at par until maturity.

Trustee: Montreal Trust Company.

CAPITALIZATION

	Authorized	Outstanding
5½% First Mortgage 30-Year Sinking Fund Bonds, Series "A"	$450,000.00*	$450,000.00
6% Sinking Fund Debentures of the City of Duncan, B.C., assumed by the Company, maturing 1937 and 1955	—	68,499.35
Common Shares ($20 par value)	21,774 shs.	21,774 shs.

*Additional Bonds may be issued, but only subject to the restrictions of the Trust Deed.

The following is summarized from information which has been supplied to us by Mr. R. H. Milner, K.C., President of the Company:—

THE COMPANY

Nanaimo-Duncan Utilities, Limited, was incorporated June 11th, 1934, under the laws of the Province of British Columbia, to acquire the undertakings formerly operated by Nanaimo Electric Light, Power and Heating Company, Limited, and Duncan Utilities, Limited. These companies have been engaged in the business of supplying electric light and power services to a population of approximately 15,000 in the territory covering the East Coast of Vancouver Island, B.C., from Cowichan to North Wellington, embracing the municipalities of Duncan, Ladysmith and Nanaimo. The Duncan Company also served the City of Duncan with water. There are approximately 4,036 individual electric services and about 570 water services.

The assets acquired by the Company had a book value as at December 31st, 1933 of $1,089,862. An appraisal by the B.C. Appraisal Company, Limited, of Vancouver, B.C., under date of June 20th, 1934, values the Company's fixed assets at $1,044,780 replacement value new, with depreciated value of $733,630.

The Bonds of this issue are being used to retire $500,000 of 6½% First Mortgage Bonds of Nanaimo Electric Light, Power and Heating Company, Limited, and $100,000 of 6½% First Mortgage Gold Bonds of Duncan Utilities, Limited.

EARNINGS

Earnings of the combined properties for the past five years, as certified by Reginald Genn, C.A., Victoria, B.C., have been as follows:—

	Gross Earnings	Operating Expenses Maintenance and Taxes	Available for Bond Interest Depreciation, Etc.
1929	$185,664.64	$100,813.20	$ 84,851.44
1930	212,333.51	111,786.83	100,546.68
1931	213,678.92	125,860.30	87,818.62
1932	204,889.05	110,560.08	94,328.97
1933	206,723.34	116,264.85	90,458.49
Average for five-year period	204,657.89	113,057.05	91,600.84

Average annual net earnings for the 5 years ended 31st December, 1933, available for interest and depreciation have therefore been $91,600 — or more than 3½ times the annual interest requirements amounting to $24,750 on the $450,000 of the 5½% First Mortgage 30-Year Sinking Fund Bonds, Series "A".

SECURITY

These Bonds are a direct obligation of the Company and are secured in the opinion of Counsel by a specific first mortgage and pledge of all the Company's fixed assets, whether now owned or hereafter acquired, including its franchises, licenses, etc., as more particularly described in the Trust Deed under which the Bonds are being issued, and by a floating charge on all the other assets of the Company, both present and future.

Subject to the provisions of the Trust Deed securing the Bonds, additional Bonds of Series "A" or of any other series may be issued in amounts not exceeding 75% of expenditures made for additional property acquired after July 2nd, 1934, provided that net earnings of the Company during twelve consecutive months out of the fifteen preceding months are not less than 2½ times annual interest charges on the Bonds including any underlying bonds which may be then outstanding, and on the Bonds then to be issued: or may be issued to refund par for par underlying bonds secured on additional property; provided, however, that the amount of additional Bonds to be issued for such purposes shall not exceed 75% of the cost of fair value of such additional property.

The Trust Deed provides for an annual sinking fund of $6,000, commencing September 1st, 1935, to be used by the Trustee for redemption of Bonds of this issue.

We offer these Bonds for delivery, if, as and when issued and received by us and subject to approval by our counsel of all proceedings, at—

Price: 93 and accrued interest, yielding over 6%

Descriptive circular will be supplied on application.

W. C. Pitfield & Company Limited

235 St. James Street MONTREAL *'Phone MArquette 9321*

TORONTO OTTAWA QUEBEC SAINT JOHN FREDERICTON HALIFAX VANCOUVER LONDON, ENG.

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

News of Investment Markets

NEW YORK LOAN DOLLFUSS DEATH INFLUENCE BONDS

Market Recovers from European Scare — New Loan Favorable

Murder of former Chancellor Engelbert Dollfuss of Austria and official announcement of renewal of $50,000,000 of Dominion treasury notes at two per cent in New York were the major news in Canadian bond markets in the week ended Aug. 1. Clearing up of the New York notes is regarded as a highly favorable development.

The killing of the little Austrian dictator and subsequent strife in Austria temporarily jolted stock and bond markets. Recovery in gilt-edged bonds, however, was rapid as the European situation quietened. The effect on Canadian bonds is shown by a drop from 110.75 to 110.14 on July 26 in The Financial Post's average price for seven gilt-edged bonds. Corporation bonds fell off with the stock market and many issues ended the week with fractional losses. Western provincial bonds also yielded ground.

The trend of gilt-edged bonds is indicated below:

Average Yield and Price on Seven Canadian High Grade Bonds

	Yield %	Price $		Yield %	Price $
July 31	3.811	110.39	July 25	3.784	110.75
July 30	3.814	110.36	July 24	3.787	110.68
July 28	3.814	110.36	July 23	3.789	110.63
July 27	3.814	110.36	July 21	3.804	110.43
July 26	3.833	110.14	July 20	3.810	110.37

Dominion Financing

The Dominion financing in New York takes care of most of the $60,000,000 of four per cent notes floated last year and called for redemption Sept. 1 at par. The new loan is for $50,000,000 at two per cent for 12 months from Sept. 1, and is callable June 1, July 1 or Aug. 1, 1935. The remaining $10,000,000 is to be paid off in cash. The transaction, therefore, is in line with the advance information obtained in Ottawa by The Financial Post early this year.

While the halving of the interest rate on the New York loan will save the Government $1,000,000 in a year, the two per cent rate is favorable, but not unexpectedly low, for one-year financing. The U. S. Government is borrowing at about .07 per cent on six months treasury bills, and prime commercial paper is at one per cent in New York.

Taken by Syndicate

The loan was taken up by the Chase National Bank associated with the National City Bank of New York, the Bankers Trust Co., the Guaranty Trust Co., the Chemical Bank and Trust Co., the Central Hanover Bank and Trust Co. and the New York Trust Co.

Despite press reports, the transaction will not affect the Dominion's loan in the autumn because the New York financing has been anticipated for some time. The autumn loan will be for less than $300,000,000, and will consist chiefly of refunding, according to authentic sources.

New Financing Small

New financing in Canada has been at a slow pace. The school trustees of Moncton, N.B., recently sold $100,000 of 20-year four per cent bonds to R. A. Daly & Co., at 97.07, a cost of about 4.22 per cent. This is regarded as a highly favorable figure for a loan of this type. Even for the summer period the dullness of bond trading has been exceptional, and this is believed to have deferred some corporation financing. Offering has been announced of $450,000 of Nanaimo-Duncan Utilities 30-year 5½'s at 93, yielding over six per cent. This issue like other corporation financing that has appeared in the last year has been drawn up on much more rigid lines than those of pre-depression days. This change is significant of the "finicky" state of mind of investors, the result of the last five years expensive education in corporation investments. The Nanaimo-Duncan issue sold rapidly.

Corporation Issues

The decline in western provincial and corporation bonds in the week to Aug. 1 is considered largely of a technical trading nature. Since the correction was general, individual losses were considered of small significance. Some underlying strength in a few issues was indicated, however, by advances in the face of the general decline. Canada Cement 5½'s of 1947 gained one point to 94 bid and B.A.Oil convertible 5's of 1945 were up one half to 103 bid. Among others of the more active issues, General Steel Wares 6's of 1952, B.C.Telephone 5's of 1960 and T. Eaton Realty 5's of 1949 made fractional gains against the market.

Ontario Renews Notes at 3.58 Per Cent Cost

Province of Ontario has renewed $15,000,000 of treasury notes at a rate of 3.58 per cent, it has been announced by Mitchell F. Hepburn, premier and provincial treasurer. The rate is something higher than has been paid recently for other short term government loans.

Renewal of this short term financing through banks is taken to indicate that a large bond issue will not be placed on the market by the province in the immediate future. It has been anticipated that the province might float a loan for $25,000,000 to $40,000,000.

August 1, 1934.

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has been admitted to partnership in this firm

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MEMBERS

THE TORONTO STOCK EXCHANGE

14 King Street East, Toronto ADelaide 9212

Investment Notes

Significant Investors' Index Numbers

1926 — 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
No. of Securities:	17	6	4	4	10	18	8	87	20	113
1929-33:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	23.7	44.0	30.5	38.6
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
February	114.6	13.6	77.1	153.7	73.3	128.2	148.5	123.8	58.0	88.7
March	113.6	13.2	77.1	152.2	76.3	129.4	141.8	128.5	58.0	90.3
April	114.9	13.2	75.2	159.4	76.8	134.3	138.0	133.0	58.1	93.4
May	106.9	13.8	74.3	159.0	79.1	129.9	113.8	128.0	56.7	91.1
June	104.7	12.5	74.1	161.9	77.7	128.1	113.5	126.1	54.5	89.8
Weekly Figures, 1934:										
July 5	102.0	10.8	73.8	159.0	74.9	131.1	124.0	125.4	52.1	92.1
July 12	102.8	10.4	72.9	159.6	74.4	130.1	118.5	125.3	52.3	92.0
July 19	102.1	10.4	73.4	158.3	73.5	131.2	107.3	123.3	52.1	91.0
July 26	94.3	9.5	72.6	151.7	70.7	127.4	95.2	115.1	49.7	85.6

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
July 31 close	90.32	123.52	88.20
July 30 close	89.22	122.27	88.71
Week ago	91.97	122.25	90.72
Month ago	99.04	125.56	93.04

July Industrial Sales Increase

THE quiet summer markets blossomed into active ones in the last few sessions of July, permitting trading volume on the industrial section of the Toronto Stock Exchange to go up to 514,212 shares, an increase over the previous month of 80,000 shares. Owing to the generally lower trend of prices during July, value of these transactions was $8,635,855 as compared with June's $8,734,829.

The general run of stocks met with slow sagging decline until July 26 when the European war scare broke all North American markets, and Canadian stock markets had the worst break of the year in consequence. Stop-loss orders in inter-listed stocks were uncovered and the decline forced recessions even in those issues which would benefit most from war possibilities.

As the prospects of war receded stocks partially recovered their position just below the levels of the break.

The ten most active stocks on the Industrial Section, all showed declines except Brewing Corporation.

International Nickel had a heavy turnover in the last few sessions. International Petroleum and Imperial Oil were not so active as in June. One feature of the month was the heavy selling in the alcohol issues, Walkers losing some 14 points. Pressure exerted against this group brought volume sufficient to place the liquor stocks, together with Distillers Seagram and Brewers and Distillers, in the lead among the first ten issues of the board as compared with their minor positions of June.

Consumers Gas Sales Gain

JULY sales of Consumers' Gas Co. were 4.75 per cent greater than in July, 1933. This is the seventh consecutive month in which gains have been recorded. Despite marked recessions in the first quarter of the company's year, the total sales for the first ten months of the year (which ends on September 30) now show a definite advance on the same period of the preceding year.

Appliance sales continue to increase. In fact, June revenues from this source were 28 per cent ahead of June, 1933. While July figures are not complete the gain over July, 1933, is expected to reach 15 per cent.

New installations of water heaters for the nine months were 15 per cent of the same period in 1933. The company now has a greater number of men employed laying mains and service lines than at any time since 1931.

* * *

Beer Price Probe Welcomed

IF MITCHELL F. HEPBURN, Premier of Ontario, probes the price of beer as he indicated his intention to be, brewers will welcome the investigation, they state. One brewery official reports that 35 per cent of the prices goes to Federal, provincial and municipal taxes. Malt costs the brewer 95 cents a bushel of 36 pounds. On every 100 pounds the Dominion Government places a tax of $6 and the Ontario Government adds $3.50 a cwt.

Imported hops cost $1 a pound after duties. There will also be charges for licenses to hotels and therefore the price of beer has a heavy load to carry in taxes before other elements of cost are taken in.

ADVANCE ORDERS ROGERS MAJESTIC WORTH $750,000

Joint Radio Companies Claim Biggest Order Ever Placed

Business worth $750,000 and requiring the services of 1,000 workers for some time to come was announced in advance orders to date for Rogers-Majestic and De Forest Crosley radio sets. B. A. Trestrail, director of sales, made the announcement at a banquet concluding the convention of the sales force of the joint companies in Toronto this week.

"This is by far the greatest volume of radio business ever placed at one time, and shows definitely that Canada is on the up-grade," Mr. Trestrail said.

Production and distribution of the new models ordered, reported Mr. Trestrail, would involve the efforts of five United States and Canadian research laboratories, three Canadian engineering staffs, two radio factories, 15 or more Canadian cabinet producers, 14 jobbers, four factory branches, 150 travellers, 1,000 dealers and 5,000 retail salesmen.

Brandram-Henderson Bond Data Prepared

Brandram-Henderson Ltd. has advised holders of its consolidated mortgage bonds to communicate with the company or the Montreal Trust Co. to obtain information and forms to enable them to receive interest scrip with scrip coupons attached to which they are entitled under the recent plan of arrangement.

Under the plan, which was approved by shareholders in February, the rights to interest and interest coupons maturing from March 15, 1933, to March 15, 1936, are modified and are now to be represented only by interest scrip with interest scrip coupons attached, issued by the company and lodged with the Montreal Trust Co.

Wood, Alexander Bonds Sought for Redemption

National Trust Co., Hamilton, trustee for first mortgage bonds of Wood, Alexander & James, has advertised for offerings of bonds to absorb some $20,100 now on hand for investment in the sinking fund.

Offerings are to be received up to and including August 8, and prices will be deemed to include accrued interest.

OFFER $450,000 NANAIMO-DUNCAN UTILITIES BONDS

W. C. Pitfield & Co. Offering Issue Yielding Over 6%

W. C. Pitfield & Co., Montreal, is offering $450,000 of 5½ per cent first mortgage bonds of Nanaimo-Duncan Utilities due 1964 at 93, yielding over six per cent. The issue has met with an excellent reception, it is understood.

Nanaimo-Duncan Utilities was incorporated in June, 1934, to acquire the undertakings of two former subsidiaries of Dominion Gas and Electric Co., namely Nanaimo Electric Light, Power & Heating Co. and Duncan Utilities Ltd., supplying electric light and power to a population of 15,000 on the east coast of Vancouver Island.

Purpose of the new issue is to retire $500,000 of 6½ per cent first mortgage bonds of Nanaimo Electric and $100,000 of 6½ per cent gold notes of Duncan Utilities.

The new combined company serves over 4,000 individual electric consumers and 570 water customers.

Operating Authority

Franchise for distribution of electricity and water in Duncan is for 20 years from Aug. 1926, and a franchise is held in North Cowichan for a similar period from May, 1927. In Nanaimo, the company operates under a private act of the B. C. legislature of 1898.

Net earnings of the combined properties, available for interest and depreciation, for the past five years, are certified by Reginald Genn, C. A., of Victoria, B.C., as averaging $91,600 per annum, available for annual bond interest requirements amounting to $24,750, or a coverage of over 3½ times.

Details Summarized

Particulars of the issue are as follows:

Details of Issue

Company — Nanaimo-Duncan Utilities Ltd., inc. 1934 to take over Nanaimo Electric Light, P. & H. Co. and Duncan Utilities, Ltd., supplying electric light, power and water services on east coast Vancouver Island.

Capital—$450,000 first mtge. 5½'s; $68,499 city of Duncan 6's due 1937 and 1953 assumed; 21,774 com. shares.

Issue—$450,000 first mortgage 5½'s due July 2, 1964, interest payable Jan. 2, July 2.

Security—First mortgage on fixed assets, franchises, licenses, etc.

Plants—Two hydro plants total capacity 687 k.v.a. at Nanaimo, steam standby station 925 k.v.a., Nanaimo, diesel standby 295 k.v.a., Duncan, and 13,200-volt transmission line.

Assets—Book value Dec. 31, 1933, $1,809,862. Appraised replacement value new $1,044,780, depreciated value $733,630.

Earnings—Available for bond interest before deprec., 1933, $90,601; average 5 years $91,600, over 3½ times interest requirements of issue. After deprec., average $77,079, over 3 times requirements.

Sinking Fund—$6,000 annually starting Sept. 1, 1935.

Offering—By W. C. Pitfield & Co. in July, 1934, at 93, yielding over 6 per cent.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Calgary Brew.	§5%	1942	Nov. 1	105
Rowntree Co. Ser. A	6%	10-yr.	Aug. 1	...
Can. For. Invest.	7%	1949	Aug. 1	105
Walmsley, Chas.	6%	1943	Aug. 1	103
Steel of Canada	*6%	1940	Aug. 1	...
Dom. Canners	‡6%	1940	Oct. 1	110
Wood, Alex. & J.	†6%	1944	Aug. 8	...
Investors Equity Corp. series A	5½%	1949	Oct. 1	104

*$383,820 purchase of bonds for retirement.
†$20,100 for sinking fund.
‡$85,000 for sinking fund.
§Purchase of bonds for sinking fund.

C. I. ALCOHOL CO. EARNED $514,000 FIRST HALF 1934

Increased Profits Lead to Aggressive Plans for Expansion

From Our Own Correspondent

MONTREAL.—With an increasing operating surplus and a strengthened executive and reorganized sales staff, Canadian Industrial Alcohol Co. is now planning an aggressive development campaign not only for its domestic beverages but for additional agency lines, including French and African wines and brandies, according to a statement by L. V. Wright, vice-president and general manager and acting president of the company.

Operating surplus for the first six months of 1934 was $514,000, contrasting with an operating deficit of $92,000 for the corresponding half of 1933. Present indications are, according to Mr. Wright, that this surplus position may, due to anticipated sales expansion, be further augmented by the end of the financial year.

At the end of June liabilities to bankers and to the trade amounted to $1,391,000 as compared with $3,400,000 three years ago. Current accounts receivable from Canadian and American liquor commissions and from sundry American customers amount to $741,000. Among the assets of the company is listed a large stock of fully matured whiskies, including approximately 7,000,000 gallons of American type whiskies "with an average age greater than any other stock in Canada."

Mr. Wright states that negotiations are under way to get a wider listing of brands throughout Canada, including the additional agency lines imported by the subsidiary, J. M. Douglas & Co.

Mr. Wright points out that three times the present list price of the company's stock would only approximate $2.50 per gallon for the company's inventory, which is considerably lower than the prevailing prices for such merchandise.

Way Cleared To Reorganize M. & O. Paper Co.

Although no plan has yet been considered for reorganization of the Minnesota and Ontario Paper Co., the way has been cleared by the recent proclamation of President Roosevelt of the Corporation Reorganization Act.

Previous to this announcement the requirements of the trust deed which called for 100 per cent approval of the bondholders made reorganization virtually impossible.

Under the new act, a stated majority is all that is necessary, and as approximately 88 per cent of the total par value of the outstanding bonds are deposited with the Bondholders' committee, any scheme of reorganization sponsored by that group is practically assured of acceptance.

Defer Sinking Fund Alberta Pacific Grain

Holders of the 6 per cent first mortgage bonds due 1946 of the Alberta Pacific Grain Co. have approved an extraordinary resolution releasing the company from payment to sinking fund on June 1, 1934, 1935, and 1936.

The company is not to pay any dividends until such time as arrears in sinking fund payments are met. H. E. Sellers, president of the company, stated at the time the resolution was proposed to bondholders that it would result in the creation of an additional $400,000 of working capital. The company has shown a deficiency in its working capital account since 1930

Interest on the outstanding $2,678,000 of first mortgage bonds, which were originally issued in an amount of $3,500,000, has been fully maintained up to the present. The bonds were issued in 1928 at 98, and are now selling at 75.

Les Escoumains Meets Interest Up to 1934

Municipal corporation of Les Escoumains, Que., has been authorized by the Quebec Municipal Commission to deposit funds with its bank to cover interest payments up to Feb. 1, 1934.

The interest to be paid is on debentures issued under by-law numbers 40 and 42. The interest was originally due Aug. 1, 1932, Feb. 1 and Aug. 1, 1933, and Feb. 1, 1934. Bondholders are requested to present coupons for these dates for payment.

Cosmos Imperial Mills to Pay More on Arrears

Cosmos Imperial Mills Ltd., in addition to paying a quarterly dividend of 87½ cents per share on the preferred stock, has declared an arrears payment of a similar amount.

Both payments will be made August 15, 1934 to shareholders of record of July 28. The payment of $1.75 a share will leave $1.75 of arrears on the seven per cent preferred shares of $100 each.

Stop & Shop Sales Show Steady Increase

Stop & Shop, Ltd., sales for the first 20 weeks of 1934 were $2,515,540 as against $2,406,756 for the corresponding period in 1933 or a gain of over 4½ per cent.

For the four week period ended July 14, 1934 total sales amounted to $425,587 as against $423,535 for the corresponding month in 1933 or a gain of .48 per cent.

BIGWIN INN

CANADA'S FINEST SUMMER HOTEL

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Write—

The Bigwin Inn Company Limited

LAKE OF BAYS via Huntsville, Ontario

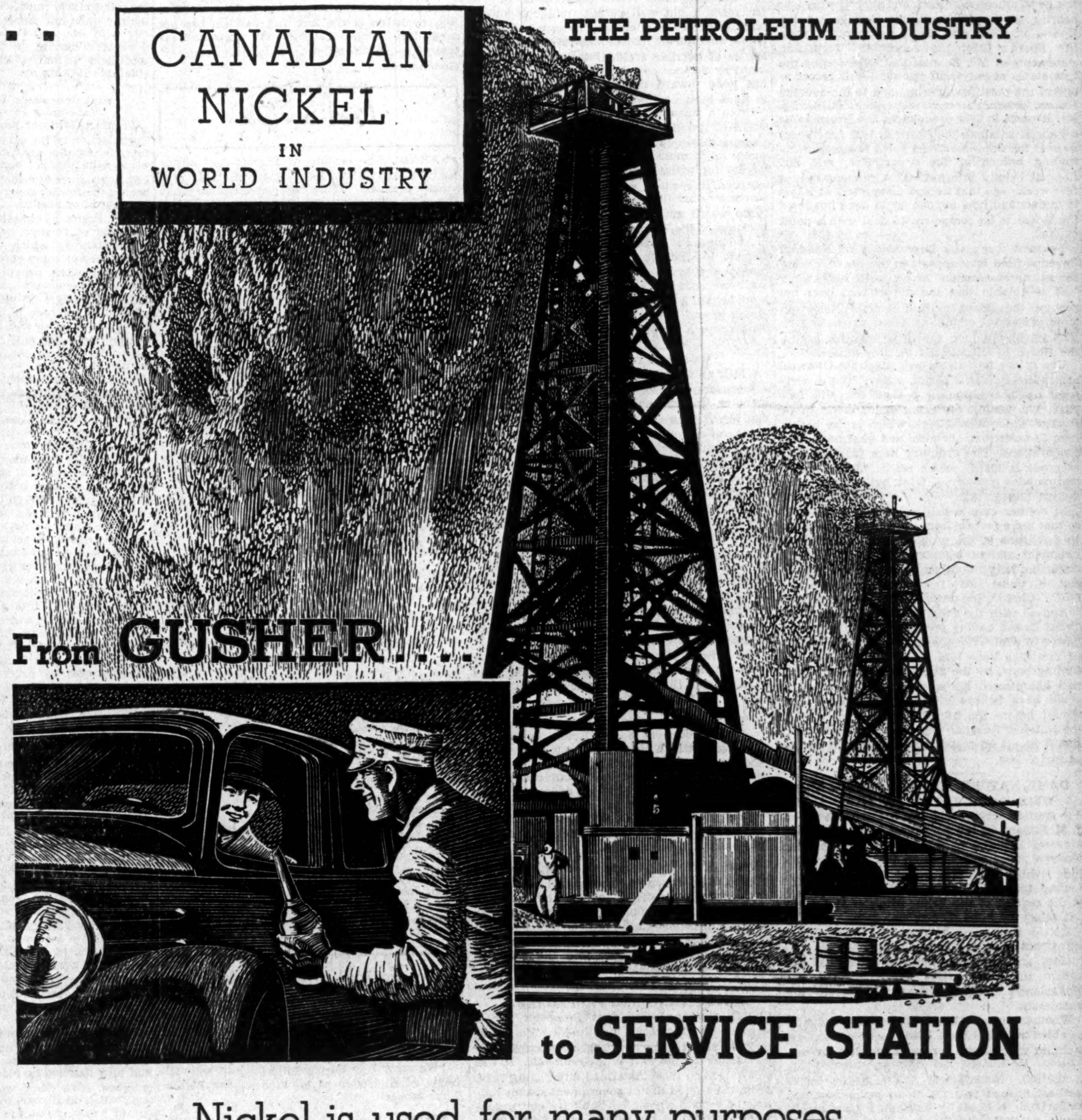
Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Cost
Dartmouth, N.S.	July 16	J. C. Mackintosh & Co.	4%	1939	$24,000	99.53	4.10%
Moncton, N.B. School Board	July 25	R. A. Daly & Co.	4%	1949	100,000	....	....
Truro, N.S.	July 25	Johnston & Ward	4%	1954	7,000	99.55	4.03%
Crowland, Ont.	July 25	Angus & Co.	5½%	1954	25,000	102.00	5.33%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date	Offered by	Rate	Class	Amount	Price	Yield
Ground Hog Gold Mines	July	Company	....	Treas	300,000 shs.	25c	....
National Mines Ltd.	July	Company	....	Treas.	....	25c	....



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The large and growing use of Nickel throughout the world in industries such as railroad, automotive and petroleum is due to this policy of proving, through scientific research and practical demonstration, the economic values, services and savings gained through its use. The experience obtained and facts developed in this work, carried on over a period of many years and in many different industries, is made available to industrial metallurgists, chemists and engineers in every part of the world.

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Member Audit Bureau of Circulations

Editor—FLOYD S. CHALMERS

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TORONTO, AUGUST 4, 1934

FURTHER MYSTERY ENGULFS TARIFF BOARD STATUS

HARD-HEADED business executives, after listening to the verbal clatter of political spellbinders, often feel like asking if there is no limit to political legerdemain. The recent announcement of four appeals by the Department of National Revenue to the Tariff Board will kindle a somewhat similar thought.

The record of the past year, with the Board making rulings: the department flouting them: the government, dignified, and slightly unctuous hearing an appeal from the decision of the Board; the Supreme Court pronouncing upon the Board's fate; the subsequent surprising statements of Mr. Bennett and others upon the true status of our tariff tribunal—this record is one of the most bewildering, and to the average citizen, amazing in our recent political history. Mr. Bennett in 1931 pronounced the Board to be a judicial tribunal; the Board in 1933 functioned as one; the Supreme Court ruled it a mere fact-finding branch of the department; and Mr. Bennett calmly informed the Commons only a few weeks ago that he was completely at a loss to understand how anyone could have imagined the Board to be competent to deal with a point of law.

Yet last week the Department of National Revenue filed four appeals to the Board, asking for an "interpretation" of six tariff items.

It is notable that the department does not require the Board to find facts: it seeks an "interpretation" of the tariff law as enacted by Parliament. In fact, the department is asking the Board to tell it what the law means.

One of the four items will illustrate Ottawa's contradictory Tariff Board policy. The department has been imposing a tariff on calf's foot jelly (it contains a small amount of proof spirits) under item 220(c), which is the basket item in medicinal, chemical and pharmaceutical preparations. The ordinary item for this kind of goods is 105(d) which reads: "Jellies, jams, marmalades, preserves, fruit butters and condensed mincemeats."

In neither case is calf's foot jelly mentioned so that mere fact finding can contribute nothing to a solution of the problem. It is a matter of judgment and of legal interpretation whether calf's foot jelly should pay a duty of a few cents per lb. under 105(d) or 60 per cent under 220(c). Clearly, the decision must be one of law.

And so with the other items concerned. The Tariff Board, having presumed that it possessed power to deal with questions of law as well as of fact, has been told that it is a mere fact-finding body, by the Supreme Court. Mr. Bennett has uttered his astonishment that anyone could have believed it of higher status. And almost before the breath is out of his mouth, the National Revenue department has asked the Board to act as a judicial tribunal and decide points of law.

DAME NATURE AND MR. McFARLAND

A WELL-DESERVED tribute to the public-spirited service rendered to Canada by John I. McFarland in the past three years is paid in a recent editorial in the Calgary Herald. The western paper comments on the altruistic attitude which Mr. McFarland has maintained toward this job which he undertook originally at the request of the Prime Minister and without salary or hope of personal gain.

Up to this point The Post is in complete agreement with the Herald, but when it goes further and expresses the conviction that the upturn in wheat prices has vindicated Mr. McFarland's judgment, the verdict is not unanimous.

Whether or not Mr. McFarland has actually gambled with his huge holdings of wheat, is a point on which there is much argument and discussion. He himself has vigorously denied this accusation. Nevertheless the evidence seems well-established that for three years now Mr. McFarland, backed by unlimited government credit, has been supporting the market at Winnipeg with the result that the price of Canadian wheat, particularly throughout the greater part of the past crop year, has been considerably out of line with the prices at which the competitive product from Australia and Argentine were offered. Not only has this acted as a barrier to sales of Canadian wheat but it has proved a very real handicap to the sale of Canadian flour in British and foreign markets and its effect in the future, through cutting off well-established channels of trade may be even more marked. Furthermore the continued presence of a government agency with an immense holding of unsold wheat at Winnipeg, has been the sort of material on which the uneconomic Wheat Agreement fed and grew—an agreement which proved its futility the first time it met the test of the cold hard fact of a nation anxious to market its crop on a free, competitive basis.

On the other hand, if Mr. McFarland has not gambled in wheat, how can it be said his judgment has been vindicated by the recent rise in wheat prices?

True the news of drought and the improvement in prices have greatly brightened the wheat situation and have for the time being removed a load from Mr. McFarland's shoulders and from the back of the Canadian taxpayer. But it is Dame Nature, not Mr. McFarland, who should be taking the bow.

Furthermore, there should not be too much jubilation about the wheat situation generally until the Canadian surplus is actually liquidated and Canada's position as a world wheat trader definitely established on a basis free from the handicap of government operations. Canada's wheat is still out of line with world markets and if another slump in prices were to occur the country would again be holding the bag.

NOW EVEN THE C.C.F. VEERS TO RIGHT

THE first important reaction to the provincial elections in Ontario and Saskatchewan was apparent a few days ago at Winnipeg where the C. C. F. party, in national conference assembled, devised an "immediate programme" upon which the coming Federal election will be fought.

In a word, the C. C. F. in its immediate programme has moved with celerity and firmness to the right. In contrast with the Calgary programme of 1932 and the Regina platform of 1933, the immediate programme is a remarkably tame document and indicates that the Woodsworth followers have learned one lesson from the provincial contests—that this country is not prepared to adopt state ownership of industry, finance and agriculture.

The rapid retreat from the former policy, aptly termed "minute Capitalism," to a platform which might well support either of the older parties has been effected behind a smoke screen of words. There are many phrases in the immediate programme which the authors doubtless imagine will strike terror into the heart of the "haves" and kindle enthusiasm among the "have nots" but in reality the C. C. F. has done a right about face.

Shorn of verbiage, the immediate programme calls for the socialization of finance which might mean little more than a publicly-owned central bank, public works, debt relief for farmers and city workers, the right of labor to organize and bargain collectively, a minimum wage, social insurance, special vocational training for young unemployed, and a pledge to avoid war. Apart from the socialization of the controlling machinery of finance, the immediate programme is distinctly anti-socialistic.

This new talk of the C. C. F. means little, perhaps, in a national sense as the provincial elections leave no doubt as to the future of the third party, but it is of deep significance to note that Socialism as a political war cry is rapidly on the wane. No longer does the third party advocate the state control and operation of industry, of agriculture or of the innumerable agencies of distribution.

A USE FOR UNEMPLOYMENT RELIEF

ONE very important use to which the costly unemployment relief programme of the Dominion might well be put would be toward removal of the level crossing danger in Canada. Not a week passes that newspapers do not carry stories of horrible accidents as a result of this highway menace, yet little of the money which has gone toward unemployment relief seems to have been utilized to eliminate this danger.

From a financial point of view much of the wasteful public building undertaken in the name of unemployment relief means that eventually much more will have to be spent by taxpayers for maintenance in years to come. In addition it opens a way in the future, for an increase rather than a decrease, in the expensive place which government already holds in the business of the country.

As long as it is accepted as public policy in Canada to continue unemployment relief, this money should go into a constructive channel such as crossing accident prevention which would entail a comparatively low initial cost and which would make very little future demand on taxpayers for physical maintenance.

HE'S CUTTING EXPENSES

AMID all the argument that ensues upon each economy measure of the Hepburn government in Ontario, one central fact stands out: that Mr. Hepburn is the first prime minister in a generation who deliberately set out to slash governmental expenses. He has been doing things that other people regarded as "politically impossible" and that is why his economy moves are the target for criticism. But in the aggregate the taxpayer will benefit, unless of course Mr. Hepburn makes the fatal mistake of creating one new job for every old one he wipes out.

THE PASSING OF OGPU

THE famous Russian OGPU or secret police force has been reorganized. Judging by its new name the system hasn't been simplified, for in future it will be known as Narkomvnudel. Originally it was called Cheka.

The official statements issued in the Soviet Press which heralded this change contain some amazing and illuminating statements. One of them is the following:

> "The passing of Ogpu arouses the greatest interest throughout Soviet Russia because it 'is a name which tens of millions of workers and peasants learnt to love.' The Ogpu was not merely the drawn sword but one of the most important and efficient educational instruments of the Soviet system, which by means of forced labor camps reforged and gave second birth to tens of thousands of people warped by capitalism."

Russia is taking great pride in stamping out religion from among its citizens on the score that it was merely an opiate to hold the nation in slavery and subjection. Apparently, though, its leaders still believe in the proletariat being born again—this time by means of the "drawn sword" and "forced labor camps" into the so-called salvation of Communism.

ADVERTISING AND PROPAGANDA

SOME time ago President Roosevelt told a group of advertising men in New York that he considered there was a larger opportunity for advertising on the part of governments. It was a new idea to most American advertising men. While the United States government spends millions of dollars a year on publicity and propaganda material, it has seldom used paid advertising space to sell a government service to the public or to explain a government policy.

C. B. Larrabee, writing in Printers' Ink, shows that in Great Britain government officials do not agree with the group of social reformers who believe that advertising is, as they so succinctly put it, predatory.

In Great Britain, the Empire Marketing Board spent some £3,500,000 on advertising in the seven years it was operating. The Post Office is a continuous advertiser not only for postal service but for the post-office savings banks, the telephone and telegraph systems and the transatlantic radio telephone.

Other British departments use advertising space. For instance, H. M. Stationery Office derives a very large revenue from the sale of government-printed pamphlets and reports which are advertised in the book pages of the newspapers and magazines just as if they were privately printed publications. The government department that has a service to offer to the public should advertise it and merchandise it in exactly the same way as the private business. There may be some argument as to whether or not a government has a right to go into that type of business, but when the government is in business, it should do the job as well as it can be done.

One cannot find very clear dividing lines between commercial advertising, publicity and propaganda. The man on the street who does not bother to be too precise in his definition thinks of advertising as a frank, candid appeal for customers and supporters. Advertising is nearly always signed with the name of the person making the appeal. Propaganda is thought out by the average man as an attempt to accomplish the same purposes by more devious means, without the appellant appearing. It is a rather strange thing that in Washington the New Dealers, who are carrying on a concerted campaign against advertising as a waste of the consumer's dollar, are the most efficient in carrying on propaganda activities in which their real interest is largely concealed. They have no objection to stealing space to attack those who pay for it; they will chisel publicity to attack people whom they consider chisellers; they believe in advertising but they do not believe in admitting that they are advertising or in paying for it.

The public soon gets fed up on such tactics. It recognizes the dignity of the advertising business and the power of advertising story truthfully told.

EDITORIAL NOTES

Washington has labelled the commodity speculator as a Public Enemy and is now complaining that the public is not in the wheat market.

* * *

Practical men are being brought into the New Deal bureaucracy at Washington, but in typical governmental fashion they are not supplanting the theorists; merely adding another layer on top, making another layer of bureaucrats to pile on top of them.

* * *

Rt. Hon. R. B. Bennett made a wise move when he personally inspected conditions at Kingston penitentiary. It is to the prime minister that the country ultimately looks for reform of unsatisfactory situations. When a member of the cabinet or an official fails in his duty the prime minister must either correct the mistake or take the blame.

* * *

Marshall Field & Co., Chicago department store, reported a good gain in sales for the first six months of the year but that did not help the shareholders. The president reported that the gain was not sufficient to cover the increase in expenses resulting from compliance with the N. R. A. code and the larger tax bill which the company was called upon to pay.

* * *

Possibilities in Europe as seen by shrewd observers: economic crash in Germany; devaluation of the franc to avoid further deflation; similar action by Switzerland, Netherlands and other countries actually or nominally on gold; increasing revelation of the fact that Fascism has not made Italy economically strong; a gradual retreat from dictatorships in order to circumvent Communism.

Post-Scripts

CANADIANS—outside of Quebec and Manitoba—apparently like variety in their provincial premiers. Those two provinces have had the same administrative head for a number of years, fourteen years in the case of Quebec and 12 years in the case of Manitoba. But the other provinces have seen many changes.

At least four of the provinces have had four premiers apiece during the last ten years.

Here are the premiers of Canada over the past decade:

	Took Office
Prince Edward Island	
Hon. J. D. Stewart	Sept. 15, 1923
Hon. A. C. Saunders	Aug. 12, 1927
Hon. W. M. Lea	May 20, 1930
Hon. J. D. Stewart	Aug. 29, 1931
Hon. W. J. P. MacMillan	Oct. 14, 1933
Nova Scotia	
Hon. E. H. Armstrong	Jan. 24, 1923
Hon. E. N. Rhodes	July 16, 1925
Hon. G. S. Harrington	Aug. 11, 1930
Hon. A. L. Macdonald	Sept. 5, 1933
New Brunswick	
Hon. P. J. Veniot	Feb. 28, 1923
Hon. J. B. M. Baxter	Sept. 14, 1925
Hon. C. D. Richards	May 20, 1931
Hon. L. P. D. Tilley	June 1, 1933
Quebec	
Hon. L. A. Taschereau	July 9, 1920
Ontario	
Hon. G. H. Ferguson	July 16, 1923
Hon. George S. Henry	Dec. 16, 1930
Hon. Mitchell F. Hepburn	July 10, 1934
Manitoba	
Hon. John Bracken	Aug. 8, 1922
Saskatchewan	
Hon. C. A. Dunning	Oct. 20, 1916
Hon. J. G. Gardiner	Feb. 26, 1926
Hon. J. T. M. Anderson	Sept. 9, 1929
Hon. J. G. Gardiner	July 19, 1934
Alberta	
Hon. Herbert Greenfield	Aug. 13, 1921
Hon. J. E. Brownlee	Nov. 23, 1925
Hon. R. G. Reid	July 10, 1934
British Columbia	
Hon. John Oliver	Mar. 6, 1918
Hon. J. D. McLean	Aug. 20, 1927
Hon. S. F. Tolmie	Aug. 21, 1928
Hon. T. D. Pattullo	Nov. 15, 1933

Sayings of the Week

"A government in a democracy is the sum of the individual citizenry." — *Mrs. Franklin D. Roosevelt.*

* * *

"We cannot go on pursuing an international dream of disarmament all alone."—*Sir Bolton Eyres-Monsell.*

* * *

"Religion is not being oppressed or ignored. It is being crowded out."—*The Bishop of Rochester.*

* * *

"The final arbiter of all social reforms is, in the end, a woman—and so may it always be." —*Sir Arnold Wilson.*

* * *

"If you have money to spend it is leisure; if you have no money, it is unemployment."—*The Archbishop of York*

* * *

"No matter how hard it may seem, the leader must be ascetic in his mode of life and pure in his ideals."—*André Maurois.*

* * *

"New York City has planted more trees since Jan. 1 than any other city in the history of the world."—*Mayor La Guardia, New York City.*

* * *

"As the economic structure of the world changes—and we know only too well how it can change—advertising is destined to become more and more and ever more important."

—*Prince of Wales.*

* * *

"The business man may be able to see three years ahead and determine just where he will be at the end of that time, but neither he nor his lawyer can foresee the law that far ahead and naturally cannot know what it will be when it catches up with him."—*Owen D. Young.*

* * *

"In Kingston, unfortunately, exercise has developed into a kind of sporting contest, which is not permitted under the present regulations. Baseball and the like have developed to a fairly alarming extent. Baseball has now been stopped."—*Hon. Hugh Guthrie, Minister of Justice.*

New Books

EXCHANGE CONTROL, by Dr. Paul Einzig, published by the Macmillan Company of Canada, Toronto, at $2.50.

Dr. Paul Einzig is continually adding to his reputation as an authority on international monetary affairs. In this volume he traces the course of government intercession in foreign exchange from its birth during the war to its present elaborate technique.

The book encompasses most of the Western nations which have used control devices, and is a history of their growth from passive and primitive forms by ad hoc stages to an important and specialized position in international finance. It is an avowed effort to ask economists to reconsider their conceptions and opinions of government interference in exchange markets. The binding theme is the author's portrayal of the changed scene in international finance, the necessary steps taken by central authorities to meet new conditions and their excellence and errors, as a basis to his short and qualified conclusions of the probable trends in developments.

The treatment is limited to countries with experience of interference by a strong, central monetary authority. Canada, quite naturally, is not included in the survey, but the influences which this form of activity has had on exchange rates, makes its importance to Canadian readers none the less real. Dr. Einzig breaks a great deal of new ground and treats new phases in a style suitable to the layman.

MANUAL OF THE TEXTILE INDUSTRY OF CANADA, issued by the Canadian Textile Journal Publishing Co., Montreal, Que.

In addition to complete statistical information regarding the industry, as well as a complete directory of textile mills, this sixth edition of the Manual of the Textile Industry of Canada contains comprehensive articles on economic and physical developments in the industry. The strong position of the industry in national affairs is presented by E. S. Bates, editor, while the feature article "Textiles on Parade" offers the views of leading executives in the industry.

Other People's Views

Death Duties
London Daily Telegraph

Death duties, which are a capital levy, would in a thoroughly sound system of finance be used for the repayment of debt, and would not be treated as ordinary revenue. They must diminish as great estates are broken up by their operation.

Our New Bid For Tourists
Forest and Outdoor

The tourist who comes twice or ten times to Canada comes because of novelty, and our main claim to novelty must rest upon exceptional scenery, distinctive fishing, and the more primitive charms of Canadian outdoor recreation.

Large tourist traffic for the Dominion, therefore, must be built up mainly upon our woods, our waters, our wild life, and the amenities of a visitor's holiday in many of our woodland "paradises" can bear considerable jacking up.

Saskatchewan's Cabinet
Vancouver Province

Premier Gardiner has gone about the selection of his cabinet in canny fashion. Of the eight men who will work with him, six had seats in the last Legislature and four were members of the former government which Mr. Gardiner headed.

The Premier himself takes the portfolio of finance, which, in the circumstances which have tried Saskatchewan more sorely than any other Canadian province, must be the most onerous post in the government. Premier Gardiner's previous experience has been in the portfolios of highways, labor and industry.

Admittedly the cost of secondary education is high, much higher per capita than that of the public schools. Is the student getting the best for the outlay or the taxpayer getting the worth of his money? Could not expenses be curtailed to some degree by ceasing to teach students subjects which they dislike and for which they may never have use? The unit system should surely enable the average high school boy or girl to spend time on courses suitable to the profession or occupation he or she plans to enter.

With respect to actual financing it is becoming increasingly apparent that the property tax is insufficient as a source of income for school boards. The tax basis must be widened so that one class alone is not required to meet the greater part of the expense. Many state governments in the United States have increased their contributions to the school system by diverting certain other revenues. It might not be a bad lead for Alberta to follow, especially when many school districts are in desperate straits for lack of necessary funds.

"As in a Looking-Glass"
The Financial Chronicle, New York

A manufacturer of mirrors in Manorville, a small town in western Pennsylvania, has held before his striking employees a looking glass so they may see themselves as others see them. Confronted with a typical strike for shorter hours and increased pay, L. H. Samuels, the employer, offered to exchange places with the dissatisfied workmen.

"You may run the plant and employ me as a salesman," he said to the strikers, as he offered to turn the factory over to them, vesting in the proposed new operators the right to fix their own hours for work, working conditions, and their own pay.

But did the discontented men accept the offer? No, indeed. They flatly refused with the explanation that they had had no managerial experience. "We don't want the factory," their chairman stated. "What de we know about the market for mirrors? Your idea is impracticable."

The fact is that in a manufacturing business, be it large or small, there are at least three important branches, dependent upon each other for the success of the enterprise. The first is capital, which represents ownership coupled with sufficient ready funds and credit to conduct the business financially; the second is management, which covers not only factory operation, but the purchase of material; the third is the marketing of products.

From beginning to end the chain must run smoothly. If one link drops out, continuity is destroyed and the business of the particular plant affected comes to a standstill, to the detriment of every individual concerned.

Just one glance in the looking-glass revealed to the strikers how greatly they are dependent upon management for their daily wage and continuous employment.

Definitions
New York Times

In his address at the University of Virginia, John W. Davis took up some of the loose and condemnatory descriptions of capitalism. As a lawyer, he demanded a definition of terms. If the capitalistic system means only "a shrewd and cunning device by which wealth and power can be concentrated in the hands of the few, while the many are left in want," it would not have many American defenders.

But suppose it signifies something entirely different? Those who rail at it and denounce it as a manifest failure or even crime might withdraw some of their epithets if they perceived that it is a system "under which men are entitled to own property, to use it for their profit, to increase their resources tomorrow by abstaining from wasting today, and under which they may combine their efforts and their property in order to accomplish in union what they would be powerless to do alone."

Next to capitalism, laissez-faire is a term of reproach and horror. If capitalism is dead, laissez-faire is damned. But here again Mr. Davis suggests the need of more careful definition:

"There are some to whom the phrase is but a synonym for the right of men to own and to accumulate property by their own efforts; to use it to their personal gain; to trade freely and at will with one another; to make contracts and be bound by them; to live under laws passed by their elected representatives; to set fixed limits to the powers their governments may exert; to be free from hourly superintendence; to pursue their lawful callings in such manner as they may themselves elect.

"In this sense lassez-faire is curiously like the things our sires and grandsires gave their lives for, and to which they gave the name of Freedom."

Verify your references. Make your definitions accurate. Otherwise, debate between reasonable men is not possible.

Radio and the Public
Edmonton Journal

The Canadian radio commission has until next March to develop still further its national programmes. After all, it is by its programmes that radio is judged. The commission should never forget that.

Ignoring the C. C. F.
Calgary Herald

Graham Spry, vice-president of the C. C. F. (Ontario section), complains that his party was ignored by the daily press in the recent Ontario election. The electors seem to have been guilty of the same offence.

In The Garden
Hamilton Spectator

There is nothing like working the soil, for the health of both body and mind. Philosophers are agreed upon the necessity of man "cultivating his garden" and this may be taken in a literal as well as figurative sense. Then there is the direct practical value to be obtained from growing the vegetables and garden produce.

Medieval Europe
New York Herald Tribune

To say now that Europe is being "Mexicanized" would be an insult to Mexico.

Yet, confronted by the dispatches from Germany, it is hard to find another word to describe that peculiarly medieval combination of violence and intrigue into which so large a part of Europe appears steadily to be sinking.

The "Unreformed" Senate
Prof. Norman Mackenzie in Canadian Comment

It is interesting to note that even though Mr. Bennett may not be returned to Ottawa, "The Reaper" has been so industrious among the ranks of the Senators that that august body is likely to be Conservative in party as well as in temperament for the next decade, and Mr. King and the Liberals are almost certain to revive their old demand for the reform of the Senate.

As Others See Us

Distinction Without Difference
Renfrew Mercury

The observant Financial Post is moved to direct attention to the fact that when a probe starts in this country of private enterprises all facts must be laid bare, no matter how much the owners may dislike it and without regard to how startling the revelations may be, also helpful to competitors; whereas a government-owned enterprise is in that respect immune. A government may apply the probe to other people's business, but its own must be regarded as having star-chamber privileges. Herein is to be found a distinction without a difference. Governments would do well to notice that people have begun to make note of the fact.

"Stop Me If You Have Heard This One"

The records of the provincial government departments which handle applications for Mothers' Allowances, are full of strange and delightful examples of how the King's English can be misinterpreted and abused by worthy Canadian citizens: One of the best is:

"I am very annoyed to find that you have branded my oldest boy as 'illiterate.' Oh, it's a dirty lie as I was married to his father a week before he was born."

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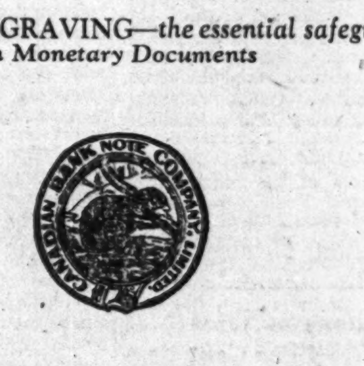

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The Week in Business

Drought News Watched

BUSINESS has been showing a great deal of interest in crop reports, both from the United States and from the Canadian west. New drought conditions throughout the west seemed to be going to cancel all the improvements which took place during the month of June only to be somewhat relieved by good rains in many areas. Unfortunately, however, there has been a considerable amount of damage done and estimates of a 300,000,000 bushel crop are now considered fairly optimistic.

Wholesalers and manufacturers are now eagerly scanning orders for autumn delivery. Reports indicate that the volume is considerably ahead of last year in the areas which have been covered by salesmen. However, the fall buying and selling campaign is not yet in full swing.

The ban on alcoholic beverage advertising in Ontario was something of a blow to many of the smaller dailies throughout the province. They are now concentrating on job printing and special advertising campaigns to enable them to balance budgets which, in many instances, have been in the red for the past two years.

* * *

Employment Improvement

MORE than 115,000 names were added to Canadian industrial payrolls during June, The Financial Post estimates by use of a specially calculated factor applied to the partial employment returns reported to the Dominion Bureau of Statistics. Actually, during the past three months more than quarter of a million persons have obtained employment.

The increase in employment at July 1, as recorded by the Dominion Bureau of Statistics index, takes on an added significance due to the fact that its extent was hardly expected. Textile factories were known to have released large numbers of employees and activity in many other types of manufacturing appeared to have reached a midsummer lull. Undoubtedly part of the improvement was the result of increases in workers at construction relief camps but the number of persons employed in manufacturing actually advanced from June 1 by considerably more than the seasonal trend.

Not only does the increased employment shown above mean a considerable addition to purchasing power in itself, but it may be confidently assumed that hours worked by employed persons have been correspondingly increased, thereby adding further to total wages.

* * *

Prairie Income Higher

AN INCREASE of 14.5 per cent, accounted for almost entirely by higher prices, is recorded in farm income in the Prairie Provinces during the first six months of the current year as compared with the same period of 1933, according to a compilation made by the W. Sanford Evans Statistical Service, Winnipeg. The increase in the value of livestock marketed, and a slight increase in volume and a larger one in value of butterfat sold, accounts for the bulk of the improvement although in recent months, sales of wheat and other grains have aggregated more than in the corresponding months of 1933.

* * *

Sir Francis Floud

IN VIEW of the fact that Canada is primarily an exporter of farm produce, it seems eminently fitting that someone with an expert knowledge of farming should be appointed British High Commissioner in Canada. In Sir Francis Floud, both Canada and Britain are fortunate in having an official of this type.

Sir Francis Lewis Castle Floud, K.C.B., is the present secretary of the Ministry of Labor, and was formerly secretary of the Ministry of Agriculture and Fisheries, and chairman of the Board of Customs and Excise. He is 59 and has been permanent secretary to the Ministry of Labor since 1930. He entered the Civil Service in 1894, ten years later becoming private secretary of the Board of Agriculture. It is said of him that his keen interest in and expert knowledge of farming—his one London club is the National Farmers'—will make him a useful representative of English interests in Canada, and his intimate understanding of production costs will enable him to assist greatly in tariff discussions between the two countries.

Improvement Evident In Radio Manufacturing

Production of radio receiving sets in Canada during the first quarter of 1934 amounted to 32,531 sets valued at $1,201,633 at factory prices. This output compares with 9,480 sets at $283,517, 42,430 sets at $2,347,143 and 41,129 sets at $3,385,892 in the corresponding periods of 1933, 1932 and 1931 respectively.

Inventories of sets on hand on March 31 totalled 19,932 compared with 18,667 and 34,552 on the same dates of 1933 and 1932 respectively.

Sales of radios during the first quarter of 1934 were reported at 25,420 sets valued at $1,021,152 at factory prices; 11,639 sets were sold in Ontario, 5,217 in Quebec, 2,886 in British Columbia, 3,146 in the Maritimes, 1,852 in Saskatchewan and Alberta, and 1,680 in Manitoba.

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Business Conditions in Canada

MORE EMPLOYMENT INDICATES HIGHER BUSINESS LEVEL

Newsprint and Sugar Mills Help Maintain Factory Output

With complete returns available, The Financial Post business index was 97.4 in June compared with 96.7 in the preceding month. The index based on 47 factors reached a new high point since May, 1931. As the turning point of the depression was in March, 1933, the recovery of the last 16 months has offset the decline of the preceding 22 months. The resumption of activity has been even more rapid than the decline which culminated in the first quarter of last year.

The indicators of mineral production averaged considerably lower in June than in the preceding month, exports of base metals being of a more moderate character. Gold shipments were slightly higher, while the imports of bauxite for the manufacture of aluminum registered a spectacular gain, the total being 29,000,000 pounds compared with 12,000,000.

Manufacturing Quieter

The index of manufacturing operations dropped from 100.2 to 98.7. The sugar industry was markedly more active and output of wheat flour showed minor declines after seasonal adjustment. Hog slaughterings were off, while gains were shown in cattle and sheep. The index of the food industry moved up slightly to 88.9.

Cigar and cigarette releases were heavier in June, the adjusted gain in tobacco releases being six per cent.

Imports of raw cotton and yarn were lower. A sharp gain was shown in receipts of raw wool and wool yarn, the total being 2,400,000 pounds compared with 1,600,000.

Record Newsprint Output

The output of newsprint was greater than in any other June in history, an adjusted recession being shown from May. Exports of boards and planks at 123,700,000 feet were at a relatively high level.

The output of the iron and steel industry showed some decline from May but recorded sharp increases over June of last year. The drop in motor car production was greater than normal for the season. The gain in crude petroleum imports was below seasonal expectations, the total in June being 114,900,000 gallons.

Construction Quiet

The construction index dropped from 35.1 in May to 25.7 in June, declines being shown in contracts and permits. The adjusted index of trade employment moved up from 117.8 to 119.6. The gain in exports was less than normal for the season, an appreciable decline being shown in imports from the preceding month. Bank debits being affected by the inactivity in speculative markets, dropped to $2,600,000,000 from $3,129,000,000 in May, the adjusted decline being about nine per cent.

Commodity Prices

RAVAGES of widespread drought continue to boost prices of farm commodities both in Canada and the United States, markets during the past week being featured by spectacular advances in wheat and cotton. Profit-taking of speculators has resulted in several temporary setbacks during the past month for both these commodities but the general trend has been steadily upward.

The rubber agreement continues to play a prominent part in market for this commodity and advances appear to have been well consolidated. Base metal markets have been fairly dull although nothing in the nature of a price slump has made its appearance.

United States authorities are agreed that the present general price advance should be maintained for some time. In fact, as pointed out in a previous issue of The Financial Post, they predicted the advance some weeks before any movement took place

	Latest week	Previous week	Same week last yr
Cattle, cwt.	$5.75	$6.00	$5.50
Copper, lb.	.09	.09	.09
Cotton, lb.	.13	.1315	.1050
Rubber, lb.	.1437	.1464	.0712
Sugar, raw, lb.	.0318	.0318	.0350
Silk, lb.	1.15	1.20	2.05
Wheat (Man.) bu.	.87⅞	.85⅞	.78⅜
Hides, lb.	.09	.09	.15
Coffee, lb.	.09¼	.09¼	.09¼

Weekly Indices

	Latest week	Previous week	Same week last yr
N. Y. Annalist	114.5	115.5	106.8
Fishers'	77.8	78.1	†62.6
N. Y. Journal of Comm.	76.2	76.3	68.6
Crumps (Brit.)	64.5	64.2	†63.4
U. S. Labor	.	74.5	69.7
Canada (D.B.S.)	72.3	71.9	...

† Average 1933.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.)			
Retail (June)	78.4	78.7	77.0
W'sale (June)	72.1	71.1	67.5
U. S. Labor (May)	73.7	73.3	62.7
Gt. Brit. (May)	69.1	69.4	66.9

Note: Indices on all base 1926 — 100, except N. Y. Annalist which is 1913 — 100. British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W. [illegible] A. basis: hides—heavy native steers: [illegible]ffee—Rio No. 7, spot, New York.

Ontario Activity Lags Other Four Areas Advance

The Financial Post Regional Indexes Find Employment Chief Support in June — Financial Factors Generally Disappointing

By SYDNEY B. SMITH

The trend of the regional indexes was irregular in June with gains in the ascendancy. Four of the five economic areas were in a more flourishing condition, a continuance being shown in the upward trend of recent months in each of the areas except Ontario.

The gain in employment even after seasonal adjustment was the main factor in supporting the regional indexes in June. Adjusted gains were shown in each of the five economic areas except the Maritime provinces, the gains in Quebec, Ontario and British Columbia being of a substantial character.

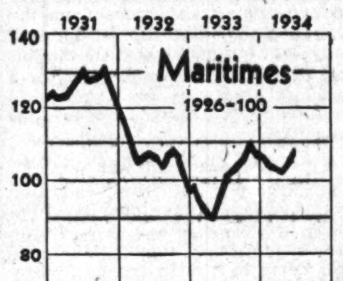
Financial Factors Unfavorable

Financial factors were generally unfavorable, bank debits showing a minor gain in British Columbia only, while sales of life insurance recorded adjusted declines in each of the five areas.

Electric power output with usual adjustments was greater in the Maritime provinces and British Columbia, declines being shown in the other areas. New business obtained by the construction industry was generally disappointing in June, contracts showing a decline in each of the areas, while permits were up in Ontario and British Columbia only.

Follows General Trend

Maritime provinces.—The index of the Maritime provinces has approximately followed the conventional curve of recovery since the low point was reached in the early months of last year. The minimum was touched in April, and a sharp advance followed until November. The subsequent reaction carried over to April last with marked advances in May and June. The net result was



that the index in June was 12.4 per cent higher than in June 1933 and the average index for the first half of 1934 was 13.1 per cent higher than in the same period of last year.

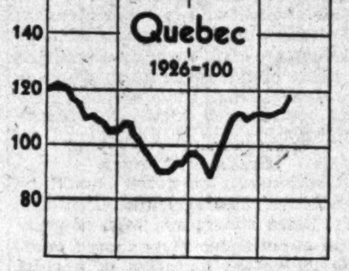
The index for June moved up to 108.2 from 105.2, the standing of the preceding month. Imports through Maritime province ports were valued at $2,611,000 compared with $2,173,000 in May, the gain after seasonal adjustment being about 33 per cent. The tonnage of vessels leaving Saint John and Halifax was 410,000 compared with 384,000 in May, the index after seasonal adjustment moved up from 106.3 to 123.2. Electric output on an average daily basis recorded a gain in June, whereas a decline would naturally have been expected from seasonal tendencies. The adjusted gain was computed at 10 per cent. The construction industry experienced reversal, while employment and bank debits reached lower levels.

Industrial conditions continued active in the Sydney district. The Nova Scotia Steel and Coal Co. employed 1,600 men at Sydney Mines while 8,000 were employed at Glace Bay by the Dominion Coal Co. The Dominion Iron and Steel Co. employed 2,566 men with five 50-ton and two 100-ton open-hearth furnaces in operation.

No Reaction Noted

Quebec.—The records of Quebec during the last 12 months make an excellent exhibit. The low point of the depression was reached in April of last year. After the sharp advance from April to September, the position was consolidated for six months, the recovery being resumed from March to June. In June a new high point was reached since May 1931. The gain over June 1933 was 23 per cent while the average for the first six months of 1934 over the same months of last year was 19 per cent.

A significant gain during June was recorded in employment. While iron and steel, textile and transportation showed declines, other groups in the



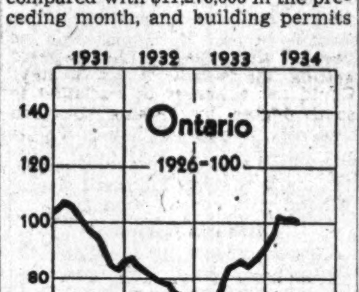
official classification participated in the advance, a marked improvement being shown in logging operations. The index of logging moved up from 100.5 to 128.0, indicating that woods operations have been resumed on a large scale. The index for pulp and paper advanced from 87.9 to 92.4 and the lumber group was 93.3 compared with 80.8. After adjustment for seasonal tendencies, the index of general employment in the area was 91.2 compared with 88.2 on June 1. Bank debits and sales of life insurance were off slightly and new construction business was at a lower level. The index of operations in the boot and shoe industry gained 13.4 per cent.

The net result was that the index for Quebec was 119.8 compared with 116.7, a gain of 2.6 per cent.

Ontario Record Best

Ontario.—While the index of business activity in Ontario showed a decline in June, the record during the last year and one half is better than that of any other economic area. The low point of the depression was reached in March of last year and the recovery since that time has been almost continuous. The gain in June over the same month of last year was no less than 28.8 per cent, while the index during the half year averaged 33.5 per cent greater than in the same period of 1933. The high point in recent months was in May and that month was higher than at any time since May 1931.

Contracts awarded were $8,167,000 compared with $11,276,000 in the preceding month, and building permits



showed a gain after seasonal adjustment. Electric output was nearly maintained and the index of employment after seasonal adjustment was up four per cent partly due to the gain in highway construction. Logging, mining, railways, trade and construction also showed important increases. The gain in the index was greater than at the beginning of July in any other year of the record. Bank debits and sales of life insurance showed considerable decline.

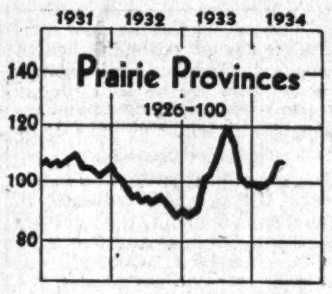
Declines were also shown in some of the principal industries located mainly in Ontario such as meat packing, steel mills and automobiles.

The index for Ontario was 100.3 compared with 102.6 in May.

Prairies' Index Lags

Prairie Provinces.—Indications of recovery were apparent in the Prairie provinces from February to August of 1933, but a reaction occurred in the latter part of the year, which has not been counterbalanced by recent betterment. The gain in June over the same month of last year was 4.8 per cent, while the average for the first six months of 1934 was 7.5 per cent greater than in the same period of 1933.

Bank debits and sales of life insurance were off in June, and a smaller amount of building contracts



was placed. The index of electric output dropped from 194.7 to 158.8.

Employment showed a gain of one half per cent after seasonal adjustment, highway construction being a factor in the increase. The index of manufacturing moved up from 89.5 to 89.6.

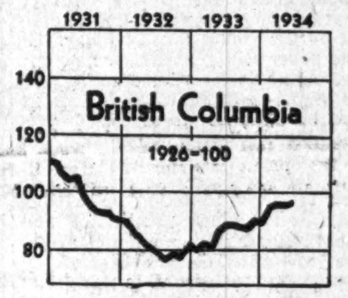
Receipts of wheat at country elevators were 12,314,000 bushels compared with 8,336,000 in the preceding month. The average price of contract grade wheat was 77.1 cents per bushel compared with 70.6. As the volume of marketings and the price of wheat showed adjusted advances of eight per cent and 11 per cent, respectively, a constructive influence was exerted on the general index, which advanced from 108.0 in May to 108.7 in June.

Export Markets Help

British Columbia.—The trend of business activity in British Columbia was upward from the latter part of 1932, a further gain being shown in June. The gain in June over the same month of last year was 16.1 per cent. The average of the last six months over the same period of 1933 was 18.0 per cent. As the province is a repository of varied resources, recovery has been substantial during the last year and a half upon the resumption of demand in external markets.

The outlook continued cheerful in June with six out of the nine factors reaching higher levels. The average daily output of electric energy reached a new high point for the year the index being 169.6 compared with 166.8 in May.

The index of employment was 94.1 compared with 89.1 on June 1, the sixth consecutive gain recorded this year. Bank debits were slightly higher after seasonal adjustment while sales of insurance declined. The index of exports through



British Columbia reached a new high point for the same time, the standing being 61.2 compared with 48.8 in May. The tonnage of vessels leaving Vancouver was 1,013,212 compared with 837,620 in the preceding month.

The index for British Columbia was 97.1 compared with 96.9 in May.

Business Gains Vary In Different Areas

Gains in business activity were recorded in all five economic areas of Canada during the first six months of this year as compared with the same period of 1933 but these advances were far from uniform. Average activity in Ontario, for example, was 33.5 per cent above the level of the first half of 1933, while the gain for the Prairie Provinces was one of only 7.5 per cent.

Indices of business volume show that in the Maritimes, Quebec and the Prairies, the level of 1926 has been passed while in British Columbia and Ontario this is being steadily approached. The following table shows averages for the first six months as compared with 1933.

The Financial Post Regional Business Indices

	1st 6 Mos. 1934	1933	Change %
Maritimes	105.6	93.4	+13.1
Quebec	113.5	95.1	+19.3
Ontario	99.7	74.7	+33.5
Prairies	102.6	95.4	+ 7.5
British Columbia	96.5	81.8	+18.0

Canadian Business Indicators

Compiled by The Financial Post

▲Denotes new figures this week.

	Weekly — Latest — 1934	1933	Cumulative Total — Jan. 1 to date — 1934	1933
Transportation—				
Car loadings (July 21)	▲44,751	38,989	1,224,540	1,190,411
C.P.R. gross earn. (July 21)	$ ▲2,510,000	$ 2,293,000	$ 64,492,000	$ 55,767,000
C.N.R. gross earn. (July 21)	$ ▲3,282,912	$ 3,047,782	$ 88,855,132	$ 72,102,675
Business Conditions—				
Weekly Index D.B.S. (July 21)	▲96.4	....	....	....
Business failures (No.) (July 21)	▲23	17	580	970
	Monthly			
Business Conditions—				
Financial Post index (June)	97.2	78.6	......	.....
Transportation—				
C.P.R. net earnings (June)	$ ▲1,755,580	$ 2,049,387	$ 8,054,412	$ 4,861,140
C.N.R. net revenue (June)	$ ▲988,293	$ 985,896	$ 4,378,541	$ ‡2,978,981
Iron and Steel (June)—				
Pig iron production (tons)	37,306	857	157,827	36,210
Steel ingot prod., (tons)	64,013	31,602	397,502	130,464
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (June)	▲8,394	5,805	43,795	25,522
Factory output (June)	▲10,810	6,005	67,084	32,859
Trucks and Buses:				
Domestic sales* (June)	▲1,601	707	6,567	2,931
Factory output (June)	▲3,095	1,318	14,900	5,403
Exports (June)	▲5,477	1,801	26,287	8,092
Construction—				
Building permits (June)	$ 2,364,109	$ 3,589,304	$ 10,216,842	$ 10,315,999
Contracts awarded (June)	$ 12,208,900	$ 8,086,200	$ 60,916,700	$ 32,912,300
Newsprint (tons)—				
Production (June)	229,637	174,419	1,261,633	897,487
Exports (May)	222,070	168,718	938,276	655,086
Sugar (lbs.)—				
Melting & shipments§	90,494,545	93,413,740	239,210,876	279,273,651
Manufactured§	84,064,288	89,254,010	232,863,257	279,958,56[illegible]
Flour (bbls.)—				
Production (May)	1,175,433	1,334,101	5,473,194	5,056,380
Wheat flour exports (June)	441,064	544,507	2,533,611	2,564,662
Trade (June)—				
Imports	$ 46,185,892	$ 33,618,905	$ 247,389,850	$ 167,921,114
Exports	$ 58,045,528	$ 45,967,773	$ 289,659,061	$ 206,093,937
Wheat exports (bush.) (June)	18,425,933	16,998,672	64,722,040	83,368,577
Employment (June 1) D.B.S. Index—				
All industries	96.6	80.7	......	...
Manufacturing	93.2	80.0	......	...
Electric Power Output (May)—				
Total monthly (000's omitted)	1,829,681	1,349,942	8,663,184	6,714,04[illegible]
Aver. daily (June)	56,942,000	47,697,000	......	....
Other Industrial Indices—				
Lumbering: (June)—				
Plank & board exports, mill	123,730	9,470	627,655	257,1[illegible]
Boot & shoe prod., pr. (May)	1,880,833	1,754,564	7,563,452	6,858,2[illegible]
Crude petrol. imp., gal. (May)	98,900,000	83,981,157	313,410,044	242,145,7[illegible]
Cotton imports, lbs. (May)	15,987,000	8,111,000	59,208,000	33,326,00[illegible]
Raw rubber imp., lbs. (May)	4,968,000	3,817,398	26,033,297	12,651,447
Coal imports, tons (May)	1,560,577	938,835	3,731,916	2,810,686
Finance—				
Bank debits† (June)	$ 2,602,000	$ 2,982,400	$ 15,442,712	$ 13,195,271
Bond sales (June)	$ 9,094,337	$ 90,711,738	$ 189,782,672	$ 129,28[illegible]
Life insurance sales (June)	$ 32,277,000	$ 35,217,000	$ 189,141,000	$ [illegible]
Automobile Financing—				
Used cars (May)	$ 1,955,833	$ 1,638,962	$ 5,216,215	$ 4,676,06[illegible]
New cars (May)	$ 2,860,046	$ 1,463,407	$ 7,078,192	$ 4,437,60[illegible]

*Comprising over 90 per cent of total Canadian sales. †000's omitted. ‡Deficit. §For 4 weeks to June 16.

USED CAR MARKET AFRAID OF BREAK IN PRICE LEVEL

Lots Loaded With Cars, Many of Which Are Unsaleable

A crisis appears to be approaching in the Ontario used car market. Heavy stocks in dealers' hands have been moving more slowly than they are being added to by turn-ins and and a break in prices is said to be imminent. At present levels, it is felt that many used cars are absolutely unsaleable.

Actual figures on the number of used cars standing on dealers' lots are unobtainable even for Toronto, but a check-up of a number of individual dealers made by The Financial Post indicates that the number is at least as great as in the boom period of 1928 and 1929. Dealers state sales this year have been fairly satisfactory but there is no doubt that there has been a definite piling up of cars.

Figures showing the number of new and used cars financed, compiled by the Dominion Bureau of Statistics, show that the increase in the number of used cars so purchased, as compared with 1933, is much smaller than in the case of new cars. This would indicate that used car sales have not increased in the same proportion as those of new cars.

Proposed auction sale by Premier Hepburn of about 150 used government cars is likely to precipitate this price break, dealers feel. Already the Toronto Automobile Trade Association has protested the province-wide collection of used cars and their sale in Toronto. It is suggested that if these vehicles must be disposed of by sale by auction, they should be sold in the areas in which they have been operating.

Throughout four years of reducing sales, used car prices prices have been slowly reduced but no serious break has occurred. While the trend was downward, this was only in sympathy with the downward trend in prices of new cars.

Dealers, for their own protection, have kept fairly close to the recognized market value of used cars but it is felt in the trade that the amount of frozen capital tied up on used car lots, bringing absolutely no return, must soon force some dealers to clear out their stocks at very much reduced prices in order to obtain cash.

New Car Sales Gain 50 Per Cent

Sales at retail of new passenger cars, trucks and buses in June show an increase of 53.5 per cent in numbers and 54.3 per cent in value, as compared with June, 1933. There was a total of 9,995 vehicles sold for $10,236,278 in June, 13,557 for $14,000,151 in May, and 6,512 for $6,633,318 in June, 1933.

New passenger cars sold numbered 8,394 in June, 11,720 in May, and 5,805 in June, 1933, and they were valued at $8,671,565, $12,146,278, and $5,906,012 respectively. There were 1,601 trucks and buses sold in June at $1,564,713, compared with 1,837 at $1,853,873 in May, and 707 at $727,306 in June last year.

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A PUBLIC ENDORSEMENT

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NEW ASSURANCES INCREASED BY 25%

DIVIDEND LIBERALITY

For over twenty years, throughout good times and bad, North American Life has maintained its liberal dividend scale without fail—with every dividend being equal to or greater than any previous dividend. The Company's record in this regard is practically unique.

70,000 POLICYHOLDERS SHARE ALL PROFITS

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UNDER RELIANCE DIRECTION

Creator of Moore Corporation To Be Honored on 75th Birthday

Canadian Financial Leaders Will Pay Tribute To Man Who Rose From Printer's Devil

In Toronto this week is being honored a man whose actual career has outshone even that of Horatio Alger's most ambitious boy wonder. Starting as printer's devil, the dirtiest job in a dirty office, he rose to be president of several international corporations, and on his 75th birthday over a hundred of the leading men of Canada will sit down to do him honor.

That man is Samuel J. Moore, president of the Moore Corporation Ltd. former president and present chairman of the board of the Bank of Nova Scotia, head of eight big companies in the States, and the main driving force behind the William A. Rogers Co. silversmiths, until the sale of that company a few years ago. On Friday, Aug. 3 he will be the guest of honor at the luncheon at the Royal York Hotel, Toronto, given by a friend of 35 years standing, A. E. Ames.

Spectacular Rise

Mr. Moore's spectacular early rise has been "covered" in The Financial Post on more than one occasion, so that only a brief reference is necessary here. As a small English immigrant boy, he came to Barrie, Ontario nearly 70 years ago. At twelve he was printer's devil on the old Barrie Gazette. A few years later he turned up in Toronto as business manager of a weekly paper during which he got interested in a counter sales book idea of a young clerk named John Carter.

It was in commercializing this idea that Mr. Moore got his real start, and he became the founder of what developed into a new business of world importance. This and similar business forms were manufactured. A small amount of Canadian capital, only a few thousand, was raised among four or five friends and factories were opened in United States.

William Jameson, took his idea of silver spoons to Mr. Moore and a new and successful venture in association with William A. Rogers followed. Later the Rogers business was sold, but the other business, which now comprises eight companies with factories right across the States and Canada is still controlled by the Moore Corporation with head offices at Toronto and S. J. Moore as president. Of course with this success came other business connections, directorships and interests in various companies and institutions.

Still A Canadian

Although between eighty and ninety per cent of Mr. Moore's business is carried on in United States, the enterprise is directed from Canada and Mr. Moore has always remained a Canadian citizen. He is proud of the latter connection and has never found it a handicap in conducting his American ventures. He is also proud of the fact that for thirty years he was Sunday school superintendent of Dovercourt Road Baptist Church, but this, outside frequent hurried trips to Toronto to be on hand Sunday, has never proved a handicap. He believes that the Christian religion offers no hindrance to the conducting of modern business. Sometimes, he admitted frankly, his religious views did not add to the simplicity of making decisions but in the end there were no regrets except that more Christianity was not applied to business generally throughout the world.

Present Difficulties

S. J. Moore is not daunted by the present difficulties confronting an international business over which he still presides, though he did not try to minimize the situation. The great N.R.A. experiment is going through the testing stage, he said in an interview with The Financial Post this week. The people of the United States after the most serious depression in their history were led to expect too much in the way of rapid recovery, and now with about ten million people still unemployed, disappointment has resulted in the worst outbreak of strikes ever recorded, Mr. Moore had more than an academic interest in this matter as two of his big factories, one at San Francisco and one at Minneapolis were in the centre of the labor troubles.

Careful in Criticism

But this veteran of 55 years in the business field with at least half that time definitely in the field of "Big Business" was very careful of criticism. He believed that progress was being made in the States and that the authorities would eventually discard unworkable theories, selecting only those things that had proved themselves for continuance. He was of the opinion that the United States authorities had been unfortunate in their original choice of leaders to carry out the N.R.A. experiment. The staff may not have been quite rightly balanced, with too big a preponderance of college professors unversed in the affairs of practical commerce and finance.

There is, he stated, little chance of exhausting credit but business men are beginning to worry about the whereabouts of the money to meet the bills run up by the many experiments. He believed, however, that actual recovery had been retarded rather than helped by the government attempting short cuts.

Turning back to his own life and opportunities Mr. Moore believed that the same thing might be emulated by the young man of today. He had never found, at first or now any prejudice against Canadian capital or brains in United States. True he had been careful to invest his own and other Canadian money first, but when the venture assumed reasonable expectations of success there had been no hesitation in inviting American financial assistance and there was equally no hesitation in that invitation being accepted. Of course, he pointed out, in going into the United States field he was referring to normal times and speaking in a general way.

Canada's Advantage

With normal protection he firmly believed that Canadians reaped much more advantage from the existence of the United States than vice versa. "Here we have a huge population and splendid markets right at our door There is no handicap in regard to language or customs, and practically nothing to prevent us stepping in there with an idea and developing it. It constitutes a wonderful export market for Canadian brains, management and capital."

With big corporations and lack of free land, Mr. Moore admitted that the young man of today had probably less chance for spectacular success than when he arrived in Toronto 55 years ago this summer but he firmly believed that there was still plenty of opportunity. He was rather dubious, however regarding the way the average person was approaching his start in life. He would like to see the modern lad of twenty studying harder, working to develop a reliable character and spending less time on amusement. That was his chief complaint, the amount of time wasted on amusement. There was little of this thing 55 years ago he said. "In my time we worked long hours and occasionally all night."

Guests At Luncheon

Only extreme pressure or public business will prevent Premier R. B. Bennett from attending the luncheon given by Mr. Ames. A list of those who have accepted includes:

Abbs, C. E.
Aird, Sir John
Anderson, Dr. H. B.
Auld, A. R.
Baker, E. G.
Batten, Alex. C.
Bogert, C. A.
Bradshaw, Thomas
Bragg, Dr. L.
Brown, F. E., K.C.
Burton, C. L.
Cairns, W. J.
Carlisle, C. H.
Cassels, Col. G. H., K.C.
Chalmers, Floyd S
Clarkson, G. T.
Cleveland, C. B.
Colby, Dr. C. W.
Colebrook, H. G.
Coombs, F. J.
Cooper, Lt.-Col. J. A.
Cox, H. C.
Currelly, Prof. C. T
Davis, Hon. E. J.
Deacon, Col. F. H.
Dobbie, Dr. W. J.
Drayton, Sir Henry
Duke, S. A.
Duncanson, T. S.
Durland, D. C.
Ellsworth, A. L.
Fasken, A., K.C.
Fennell, Robert
Findlay, Prof Wm.
Firstbrook, John
Franks, Harold
Garside, William
Gibson, David H.
Godfrey, J. M., K.C.
Goldsmith, Dr. P. G.
Gundy, S. B.
Gunn, Brig.-Gen. J. A.
Hall, J. E.
Hanna, D. B.
Hayes, F. Barry
Heintzman, G. C.
Henry, Hon. G. S.
Henwood, H. B.
Hewitt, Arthur
Hobkirk, J. S.
Hopkins, J. W.
Hunter, Horace T
Irish, Mark
Jackson, Dr. G. P.
Jennings, J., K.C.
Jephcott, Alfred
Jones, Rev. J. G.
Kelley, G. M., K.C.
Kilgour, R. C.
King, Rt Hon. W. L. Mackenzie
Kipp, Lewis F.
Kirkpatrick, Col. A. E.
Kirkpatrick, A. M. M.
Laidlaw, R. A.
Lamb, John R.
Leeming, H. D.
Long, E. G., K.C.
Love, H. H.
Lyle, John, M.
Macdonald, C. S.
Macdonald, W. B.
Maclean, Lt.-Col. J. B.
Malcolm, W. G.
Massey, Hon. V
Matthews, Hon. R. C.
Matthews, T. F.
McCarthy, Leighton
McLaughlin, R. S.
McLean, J. S.
McLeod, J. A.
McLeod, W. N.
Meighen, Rt. Hon Arthur
Mitchell, A. J.
Mitchel, A. N.
Mitchell, B. L.
Mitchell, J. W.
Moore, Col. O. L.
Moore, S. J.
Moore, S. J., Jr.
Moore, Rev. T. A.
Morden, W. S., K.C.
Morrow, George A.
Morrow, W. G.
Morrow, S. K.
Near, W. W.
O'Connor, F. P.
Osler, F. G.
Patterson, H. F.
Patterson, John D.
Pearson, John A.
Pepall, G. T.
Phipps, A. E.
Porter, Dana
Ratcliffe, H. G.
Raymond, W. B.
Reid, G. A
Reid, Thomas, K.C.
Rogers, Alfred
Ross, Allan
Ross, James Leith
Ross, Hon. W. D.
Rowell, Hon. N. W., K.C.
Ruel, Gerard, K.C
Rumsey, R. A.
Salmond, J J.
Samuel, Sigmund
Sandwell, B. K.
Scholfield, Hon. H. C.
Shenstone, Dr. N. S.
Shook, Major A. M.
Smith, C. P.
Smith, F. D. L.
Smith, George H
Smith, G. L., K.C.
Stillwell, Rev. H. E.
Tilley, W. N., K.C.
Vaughan, J. J.
Watt, John
Warren, R. D.
Waterman, F E.
Watson, J. P.
Weston, J. S.
White, Sir Thomas
Williams, H. H.
Wood, F. P.
Wood, G. H.
Wood, James
Wood, L. M.
Wright, E. Frank

—Sketched from life by Evan Macdonald.
SAMUEL J. MOORE

SHOE SALES HIGHER OTHER TYPES DECLINE

June Retail Sales Lower Than in May But Above 1933

Retail sales in June recorded the usual seasonal decline, the total index for the month, as compiled by the Dominion Bureau of Statistics, being 77.5 as compared with 80.6. The total for the month was, however, 3.6 per cent higher than in the corresponding month of last year.

Sales indices are compiled for eleven types of stores from returns made by 118 chains and departmental establishments, comprising approximately 2,800 stores, no correction being made for seasonal influences or price changes. The index base in January, 1929, equals 100.

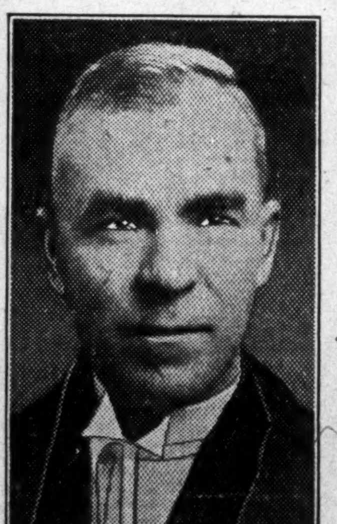
Boot and shoe and drug stores were the only groups to record increased sales in June as compared with the previous month, the increase in boot and shoe sales being considerable. On the other hand, clothing stores were the only ones to show decreased sales as compared with June a year ago.

Sales indices by groups are shown in the following table, in comparison with May and with June, 1933:

Indices of Retail Sales
January, 1929 = 100

	June 1934	May 1934	June 1933
Boots and shoes	118.0	101.8	104.5
Candy	58.9	70.5	55.3
Clothing	102.1	102.9	103.7
Drugs	77.7	74.5	75.0
Dyers & cleaners	122.3	135.6	103.7
Furniture	54.3	58.2	46.4
Gen. & dept.	70.8	73.9	69.1
Grocery & meat	78.9	81.1	75.9
Hardware	108.7	136.6	99.2
Music & radio	18.9	25.4	15.9
Restaurant	58.2	59.6	57.2
General	77.5	80.6	74.8

Trusts Director



P. H. GORDON, K.C.
Who has been elected a director of The Toronto General Trusts Corp. Mr. Gordon recently moved from Regina, where he has been a member of the company's advisory board since 1928, to Toronto. He is the senior partner of Gordon, Mortimer, Kennedy & Doherty, Toronto.

Henry Reifel Resigns Brewers & Distillers

Henry Reifel has resigned from the directorate of Brewers and Distillers of Vancouver Ltd., of which he was president, following charges of breaking the United States dry laws during the prohibition period. The resignation has been accepted.

It is understood that the company is in no way affected by the charges, which run into large sums, as these are directed against Mr. Reifel and Pacific Forwarding Co. The latter is not believed to be a subsidiary of Brewers and Distillers.

Mr. Reifel and his two sons have also resigned as voting trustees and from any participation in the company's affairs. A statement by the secretary of Brewers & Distillers, G. W. Twittey, advises that competent managers have been provided for carrying on the operation of the distillery and brewery subsidiaries.

CANADA FOUNDRIES BUSINESS BETTER

Both Welland Plants More Active Than in 1933, Says Manager

Business at the two plants of Canada Foundries & Forgings at Welland, Ont., has shown a very decided improvement over last year, and increases in volume have been consistent month by month in both the heavy forge and drop forge plants. according to Alex Smith, manager.

Since the business is primarily forgings for new equipment or replacements that cover all the industries, the increase of business is an indication of improved conditions generally throughout the country. states Mr. Smith. The increase can, to some extent, be associated with the curtailment of inventories which has taken place in the last few years and which brought the company's customers into the market this year, he says.

In 1933, the company showed a net loss from operations of $51,554 and had a deficit of $79,035 for the year. The company also showed a deficit in 1931 and 1932. Nothing was earned on the bonds in any of these three years, but interest has been fully maintained. Nothing has been earned on the class A and B shares since 1933.

PLAN INSTRUCTION MODERN FARMING IN NEWFOUNDLAND

Appointment of Supervisors Considered by Government

BUSINESS BETTER

Fishing Season Fairly Successful Though Bumper Catch Not Expected — Foreign Stocks Low

Newfoundland should appoint a number of agricultural supervisors to instruct fishermen-farmers and other farmers in the most modern methods of agriculture and otherwise promote agriculture on the island, in the opinion of W. W. Baird given before a recent meeting of the Commission of Government. Mr. Baird considered that an experimental and demonstration farm would prove beyond the financial capacity of the government.

Mr. Baird, who is superintendent of the Dominion experimental farm at Nappan, N.S., recently completed a study of the agricultural situation in Newfoundland, his services having been loaned to the Newfoundland government by Canada.

Graduate Farmer

Supervisors appointed should be graduates of an agricultural college, Mr. Baird stated, and men of practical experience. They should operate under the direction of a chief agricultural adviser. Duties of these supervisors were outlined as follows:

"Consult with and instruct fishermen-farmers and other farmers in the most modern and economical methods of agriculture; organize community clubs; promote cooperation and co-ordination in the raising, standardization and marketing of produce; and develop experimental farming plots in the districts allotted to them, for the purpose of demonstrating the possibilities of the soil in these particular areas."

Protect Fishermen

Protection from unscrupulous suppliers will be afforded fishermen by legislation in course of preparation by the government to make it compulsory for suppliers to furnish fishermen, on the day of sale, with a detailed invoice of goods supplied. It is a common complaint that fishermen frequently are not informed what prices they are to be charged for provisions until the close of the fishing season. The proposed enactment will place fishermen in a position to dispute charges they may consider excessive before taking delivery of the goods.

On and after February 1, 1935, the system of paying bounties on locally constructed vessels will be discontinued owing to the considerable financial assistance which it is proposed to devote to the encouragement of shipbuilding, the Commission of Government announces. Vessels laid down before the above date will be eligible for the existing bounties.

Fishery results around the entire coast have been fair, according to reports. While the total will not be large, no area reports a failure, with the result that returns from the catch will be spread. Fish arriving at St. John's are reported as being better than usual. Reports from foreign markets stress the small stocks on hand with consumption fair.

Business Review

A recent report by the Bank of Montreal sums up the business situation on the island as follows:

"The shore fishery has been fairly good to date. The second baiting trip to the Grand Banks has been poor. Stocks of fish are low in foreign markets, except in Oporto. The Portuguese government recently instituted regulations covering the importation of foreign salt codfish to protect and encourage the development of the national salt fishing industry. The opening prices for this season's codfish are higher than those of last year. The salmon fishery is below that of last year.

"Paper mills are operating at capacity. The government will build a paper shed and pier at Port Aux Basques costing approximately $250,000 to facilitate the export of paper during the winter months. Mining operations at Buchans are fully maintained. Wholesale and retail trade is better than last year. Collections are fair."

Says Business Advance Hampered by Disputes

Improvement in the relationship between labor and management and clearing of the clouds from political horizons seems necessary before optimism required to create another upward surge in business can be generated, according to the current monthly letter of the Royal Bank of Canada. Business improvement throughout the world, which has been most satisfactory during the past year, has been stopped for the present, the letter states. This is not surprising in view of the disturbed political and social conditions, it points out.

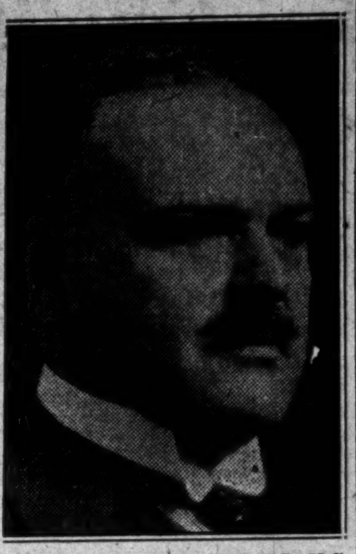
While advances have apparently been halted in the United States and Great Britain, Canada continues to improve. It is doubtful whether further improvement can be expected with the present restricted volume of world trade, the letter states. Probable world shortage of wheat, however, is a bright spot if Canada can harvest a fair crop and take advantage of the larger potential market, it is pointed out.

Farm Implement Exports Show Large Increase

Export of farm implements and machinery in June was valued at $327,192 compared with $192,554 a year ago. During the past twelve months this export has increased from $1,264,000 in the previous twelve months to $2,338,000.

Outstanding items in June were cream separators to Australia valued at $3,308; 285 harvesters and binders to New Zealand at $43,220 and 35 to Denmark at $4,862; 100 mowing machines to Chile at $6,551 and 98 to British South Africa at $5,735; 1,164 cultivators to British South Africa at $8,683; harrows to British South Africa at $4,239; ploughs to British South Africa $44,818, to United States $14,892, to United Kingdom $7,193 and to Argentina $7,012.

Bank Director



GORDON W. MACDOUGALL, K.C.
Who was elected a director of The Royal Bank of Canada this week. Mr. MacDougall is a director of Shawinigan Water & Power Co., Montreal Tramways Co., Montreal Trust Co., Canadian Marconi Co. and others. He is the senior partner of MacDougall, MacFarlane & Barclay, Montreal.

FARM CREDIT CO. PERFECTS PLANS FOR CATTLE DEALS

Will Finance Farmers Buying Cattle to Finish

From Our Own Correspondent

REGINA. — The Dominion Agricultural Credit Co. has decided to go into the financing of short term cattle feeding this winter.

The general situation is, according to H. O. Powell, general manager, that the market requires well finished young animals and is prepared to pay a premium for quality beef. Many ranchers are unable to finish their own cattle as they are unable to grow feed grain in dry ranching districts. It is sometimes difficult for a breeder or rancher to finance cattle transactions from the time the calf is born until a finished baby-beef animal at 13 to 15 months and 800 to 900 lbs. each alive, or a yearling that can be finished to weigh not exceeding 1,050 to 1,100 lbs. alive.

Feeder Contracts

On account of this condition feeder contracts have developed between the rancher and farmer who has surplus feed to finish animals that come to him in the fall. Many ranchers would much prefer to sell unfinished feeders in full rather than retain interest until ready for market as finished beef and in turn many farmers prefer to buy in full rather than take an animal on a share basis.

Raising cattle is regarded as one business and finishing as another. Finishing of feeders by farmers having surplus grain and fodder is considered a good way of marketing this farm product which in many cases is not of saleable quality but valuable as food for livestock. Ranchers market grass through the unfinished beef animal.

Where Company Helps

This condition has led to the development of feeder organizations during the last five years and where an organization of farmers has not been perfected, cattle have been fed in restricted areas by groups of farmers where feed, shelter and water are available. It has been found advisable that supervision of purchasing proper cattle, sorting into carload lots of similar weight and conformation, also care of stock throughout the feeding period has been of assistance to all parties connected with the transaction. Some of the work has been undertaken in the past by representatives of provincial agricultural departments and will probably be continued in a similar manner in the future.

The Dominion Agricultural Credit Co. has been approached by both breeders or ranchers and farmers with surplus feed who desire to undertake to finish cattle for market, to assist in financing of parties interested in cattle during the finishing period which generally extends from autumn to next spring or summer.

Final Arrangements

At a meeting of directors of this company in April it was decided to make such advances under certain conditions and at a later meeting on July 24 the matter was more fully gone into and representations presented by both feeders and ranchers as to what assistance was desired and final arrangements were made for financing this class of business.

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Montreal Curb Members Test Unlisted Market

Complaints of Investors That Quotations Are Unreliable Lead to Experiment Whereby Price is Set by Actual Trading

From Our Own Correspondent

MONTREAL. — Certain members of the Montreal Curb Exchange have been making experiments on a small but expanding scale by conducting actual sales of unlisted securities and printing daily for their own information actual high, low and closing prices paid. The experiment, though not actually conclusive because it leaves out perhaps the greater number of unlisted securities traded in Canada, has been so far successful that close study has been given to the advisability of releasing the quotations to the press and conducting the experiment in full view of the public. This is not an official venture of the Montreal Curb itself.

It is understood that this experiment has been started because of complaints from investors that when they buy or sell unlisted securities on quotations furnished or published by certain firms they have found these of no use as a guide. Particularly some members of the public, confiding in quotations in lists published by brokers dealing in such stocks, have complained that sales have been at prices much below what they have been led to expect.

A Difficult Field

Unlisted securities are admittedly a difficult field to give an absolutely accurate service on, and The Financial Post has submitted lists given it in the past with a note of explanation to readers that these quotations change rapidly and that they are for the information rather than for the absolute guidance of investors. Such lists have been selected from reputable sources and The Financial Post has believed that readers do benefit to some extent from knowing what the principal dealers state are the bid and asked prices. The newspapers publishing such lists obviously cannot accept responsibility for their accuracy though hoping they will prove helpful. Everyone must admit that some lists published are of little value.

Newspapers will watch the progress of this new experiment with interest. Actual sales and the price data arising out of them are in a far different category when conducted under such reputable auspices as the experiment of the Montreal Curb members. If successful, it will afford information to investors as to what unlisted securities are selling most actively, and will show trends upward or downward in such securities. It is hoped as well that such sales may prove an advance course for securities which will ultimately be listed.

Obituary

Bertram Tocher Ferguson, former branch manager for the Bank of Toronto, died recently at Meaford, Ont. He held positions with the bank in Coldwater, London, Cobourg, Montreal and Creemore.

Business Briefs

Failures under the Bankruptcy Act for the week ended July 21 numbered 23, an increase of 6 from the corresponding week of 1933. Failures to date number 580, a decrease of 40 per cent from the same period of last year.

Automobiles Manufactured in June numbered 13,905 as compared with 7,323 in June, 1933. Of the June, 1934, total, 8,428 were made for sale in Canada and the balance for export.

Pig Iron Production in June amounted to 37,306 tons, slightly less than the May total of 38,189 tons and compared with only 857 tons in June, 1933.

Steel Production fell off slightly in June to 64,013 tons. Output in May amounted to 71,437 tons and in June a year ago to 31,602 tons.

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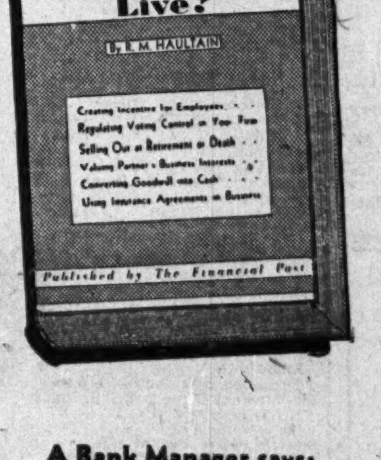

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Farmers Can Manage On 80 Cent Wheat

But Heavy Debt Charges Have Piled Up in Prairie West in Past Few Years

By IAN McARTHUR

How Soon Will the West Be Out of the Red?

This is the second of three special articles written for The Financial Post in which an attempt is made to answer the question: "How soon will western farmers be out of the red?"

The articles are based largely on a special study of the western debt problem, made by the University of Saskatchewan. The first article outlined the present situation as seen in the light of this survey, while the present article considers the vital question as to how Canadian farmers are meeting the problem. A final article will discuss proposed solutions of the agricultural debt problem of the western farmer.

How can Western farmers keep operating?

This is the question one hears whenever the topic of conversation turns to the Prairie Provinces. Noted for their fortitude and optimism these people have continued to carry on year after year, despite continued poor crops and low prices.

The answer to the question is briefly, the creation of debt. Credit has always been a big factor in Western financing, but forced credit is a different thing to the easy credit of pre-depression days.

Finding An Answer

When the income side of the farmers' balance sheet is sharply reduced one of several things may happen; expenses may be correspondingly reduced to meet the deficit, or income may be supplemented by some outside source. In agriculture it is possible to reduce only some of the operating costs. The "factory" cannot be closed down. Depreciation of buildings and machinery may be temporarily postponed, but deterioration is rapid.

A lowering of the standard of life of the farm family is difficult and undesirable. It is clear that when the reduction in income is continued over a period of years revenue must be supplemented in some manner. Little reserves are available, so new debt must be incurred.

Actual Facts Obtained

The Farm Management Department of the Saskatchewan College of Agriculture is seeking the answer to the question of how farm budgets are balanced by going directly to the farm operators themselves. Following the complete crop failure of 1931 in certain sections of the province, the survey party collected data from a large number of farmers in south-central Saskatchewan. Three representative municipalities were studied: The rural municipality of Scott, located in an excellent soil belt; the rural municipality of Wellington, with a soil of fair quality; and the rural municipality of Brokenshell, with a very poor soil. The farms discussed were operated by the owners and chosen at random along the roads of the municipalities.

Just how the annual budget was balanced for the crop year 1931-32 is shown in the following table:

FARM BALANCE SHEET (1931-32 CROP YEAR)
(Income and Credit Received and Expenditures Made, per Farm, on Owner-Operated farms in Saskatchewan Rural Municipalities)

	Rural Municipalities		
	Scott	Wellington	Brokenshell
Number of farms	60	32	36
Total acres per farm	675	585	470
Revenue:			
Current farm income	$ 324	$ 250	$ 266
Supplementary revenue	432	144	174
New debt, (excl. interest)	1,530	931	575
Total	$2,286	$1,325	$1,015
Expenditures:			
Farm operating expenses	$1,126	$ 803	$ 473
Capital outlays (excl. debt payments)	50	62	51
Living expenses (excl. board paid labor)	604	403	393
Debt payments (interest and principal)	326	31	55
Other investments	28	30	15
Total	$2,134	$1,329	$ 987
Unexplained difference	$ 152	$ 4	$ 28

Expenditures at Minimum

Expenditures as shown in the above table represent what might be considered as a minimum to keep the farm operating. Had there been a crop to harvest and thresh, expenses would have been correspondingly higher. With wheat bringing around 60 cents a bushel on the farm (approximately 19 cents below Winnipeg price) it would take 2,550 bushels to make up the $1,530 deficit on the farms in Scott municipality. While it would take less bushels in the other two areas, the lower productivity of the soil makes the problem equally as serious.

Direct Relief Essential

With the ordinary channels of credit almost completely cut off, the Provincial and Dominion Governments were obliged to grant credit in the form of direct relief to almost 90 per cent of the farmers in the area studied.

In Scott 40.1 per cent of the new debt, $518 per farm, was relief: In Wellington 55.1 per cent or $452 per farm; and in Brokenshell 61.7 per cent or $352 per farm. Relief was supplied in the form of seed, feed, fuel, food and clothing. Other important items of new debt were those arising from the inability to pay municipal taxes, borrowings on insurance, and credit granted by local stores and selling agencies. Supplementary revenue includes funds drawn from bank accounts, sale of bonds, gifts and other non-farm items.

80 Cent Wheat Needed

Calculations made from the costs of operating these farms and the receipts from all sources under varying price levels indicate that it would require at least 80 cents a bushel on the farm for wheat before the farmers will be in a position to meet their operating costs and make some progress toward debt retirement. If prices should recover to that extent, the farm operators of Scott, the municipality of heaviest debt, would be able to make the greatest progress, because of the greater productivity of the soil in that area.

In the meantime western farmers are making real strides in the reduction of their production costs. Machinery once discarded is being repaired and brought back into use. Wherever possible sufficient live stock is being kept to meet household requirements. Motor cars are being powered by horses in thousands of cases and the renowned winter trips to the Pacific Coast have faded into memories. Many of the comforts that we had grown to consider necessities have been given up. When purchasing power returns to the West there will be a vast market for all forms of farm necessities and personal requirements.

Interest Accumulates

Together with the deficit shown in the farm budget, interest on accumulated debts is piling up year after year. Annual interest charges amounted to $752 in Scott; $297 in Wellington; and $138 in Brokenshell. A reduction in the rate of interest would relieve the pressure somewhat, but would not cure the difficulty. Relief must come by either increased revenues or reduction of the total debt.

In the final article of this series the merits and demerits of the various solutions offered for the alleviation of the debt problem on Western Canadian farms will be given consideration.

GENERAL ADVANCE RECORDED JULY 1 IN EMPLOYMENT

Three Months Gain Meant Jobs for 256,000 Persons

There were more persons employed at July 1 than at any time since the closing months of 1931 and the level of employment was higher than the average for 1926, according to the Dominion Bureau of Statistics' monthly employment index released during the past week. Part of this improvement is accounted for by an increase in relief work but after elimination of this factor, July 1 employment was at a high level and showed an advance as compared with the previous month, against the usual seasonal trend.

Crude index of employment in all industries at July 1 was 101.0 as compared with 96.6 at June 1 and 84.5 at July 1 a year ago. Every economic area joined in this improvement, largest additions to staffs being made in Quebec and Ontario.

Many Workers Added

During the past three months, firms reporting to the Dominion Bureau of Statistics have recorded increases of nearly 91,700 persons. By use of a factor designed to estimate the change in total employment in Canada, The Financial Post estimates that actually 256,000 persons have found employment during this period.

Five of the eight cities for which individual tabulations are made showed increased employment at July 1 as compared with the previous month. Employees in Windsor and Quebec reported fewer employees while no general change was reported in Ottawa.

Employment in Cities

Montreal—Gains in construction and trade more than offset losses in manufacturing, chiefly in textiles and iron and steel.

Quebec—Employment in services advanced but manufacturing and trade were slacker and the total payroll was slightly down.

Toronto—Small advances were recorded in trade, construction and transportation. Textile manufacturers released employees. On the aggregate a small gain was recorded.

Ottawa—Minor increases in manufacturing and trade just balanced losses in construction.

Hamilton—Manufacturing showed slight improvement and trade and construction also recorded moderate gains.

Windsor — Automobile plants released employees and accounted for the decline in total employment.

Winnipeg — Communications, transportation and construction recorded moderate expansion with other activity unchanged.

Vancouver—Small increases were recorded in all groups, those in trade, transportation and manufacturing being most pronounced.

Maritimes Active

Maritimes—Construction, particularly railway and highway construction, recorded substantial improvement. There were also gains in lumber and pulp and paper mills, logging, coal-mining, shipping, services and trade. On the other hand, fish-canning, chemical and iron and steel plants were slacker.

Rising Bond Prices Lower Interest Rates

Dominion Making Efforts to Maintain Improved Prices for Canadian Bonds but There are Many "Ifs" in the Future

In the first half of 1934, Canadian bond prices have swung upward in the third such broad movement in post-war finance.

Because no authorized bond exchange exists in Canada, accurate statistical records of price movements of the many classes of bonds are lacking. But records compiled by The Financial Post from dealers' quotations reveal that the upward movement has extended to virtually every category of bonds in Canada.

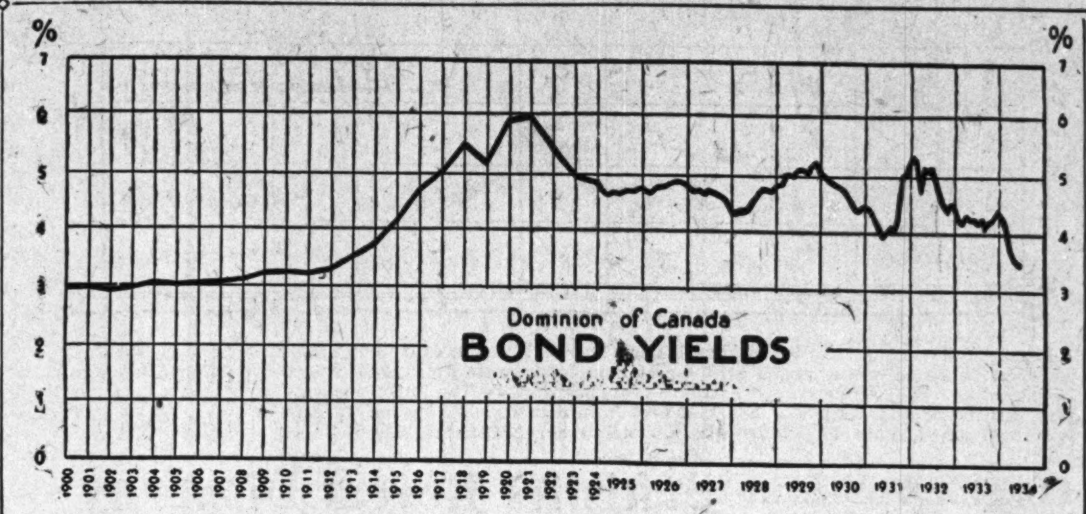
Particular significance is placed on the decline of interest rates on the highest class of Canadian bonds, those of the Dominion and its guarantees, of the eastern provinces and of select municipalities. This movement is taken to indicate a declining tendency for interest rates generally in Canada.

Improvement in prices for secondary bonds, such as those of the western provinces and municipalities, and of seasoned corporations, is interpreted as a sign of returning confidence. Recovery in business generally has played an important part in this restoration of confidence. The improvement in these issues is illustrated by charts of prices for C.P.R. 5's, Shawinigan 4½'s and Manitoba 5's on this page.

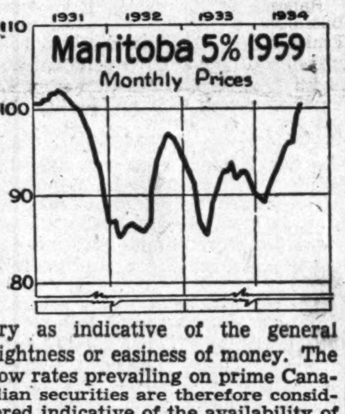
Speculative Recovery

Another striking phase of the recovery of bond prices has been the revival of interest in issues that have ceased to pay interest or threaten to do so. Considerable speculation in such bonds has occurred. The movements of speculative issues have been as erratic as those of common stocks. While the trend has been upward, there have been some drastic and sudden backslidings among these issues.

The advance of prices for gilt-edged bonds has, of course, been accompanied by a decline of yields available on such securities. In the accompanying chart, prepared by A. E. Ames & Co., it is plainly shown that interest rates on Dominion bonds are at the lowest level since 1913 as a result of the upward price trend. This movement is considered of prime importance because the situation as regards Dominion bonds is basic in this country. That is, there being no money market such as the Threadneedle Street and Wall Street dealings in short term paper, the interest rate on Dominion of Canada bonds is viewed in this country as indicative of the general tightness or easiness of money. The low rates prevailing on prime Canadian securities are therefore considered indicative of the availability of ample credit for business expansion in Canada.



Composite yield of Dominion Government bonds over the 34 years since 1900 shows that the interest rate on such securities has this year dropped to the pre-war level. This, of course, is another way of showing that prices are the highest since 1913. The chart is based on interest rates on 3 per cent sterling stock from 1900 to 1913; on Ontario bond yields adjusted to a Dominion basis from 1914 to 1918; on monthly prices of Dominion bonds from 1919 to 1924; and from 1925 to 1934 on composite daily prices of Dominion bonds adjusted to a 25-year, 4½ per cent basis. These mixed calculations have been made by A. E. Ames & Co. because of the inadequacy of other data. The chart shows clearly the three major post-war efforts of the high-grade bond market to pierce the 4 per cent level, the latest of which has been successful.



Ample Credit Here

The situation in the Dominion is considered somewhat akin to that in the United States. Ample credit is available, but borrowers to whom banks are satisfied to lend are scarce. The monetary policy of the United States government through the Federal Reserve System has been toward expansion of credit facilities. This is also the avowed policy of the Dominion Government. So far, however, the effect of increasing industrial demand for credit has not been realized in either Canada or the United States.

In Canada, banks have devoted much of the increased cash reserves to investment in government and other highly regarded bonds. This is considered one of the major factors in the upward movement of gilt-edged bond prices in the Dominion. One of the noteworthy factors to the investor is that the Dominion apparently intends to continue the policy of credit expansion, according to The Financial Post's information. The most recent indication of this intent was revealed in expansion of the Dominion note issues by the newly broadened authority of the Dominion Notes Act within four days of its enactment in June.

Expand Note Issue

The Department of Finance at Ottawa intends to expand the federal note issue, thus placing increased cash in banks' hands. The anticipated result would be to cause banks to invest several times the amount of the increased cash. Provided no unforeseen surprises develop in national and international affairs, the consequence would be even higher prices for Dominion bonds; or the upward movement in secondary issues might become even more pronounced.

It will not be the fault of the Dominion if such higher prices do not develop.

One of the important steps that Ottawa has taken in its campaign for low interest rates is the invasion of the London money market twice within the last year for £25,000,000 in loans. By bringing outside money into the country, the field of investment for Canadians is narrowed to existing securities. And Ottawa has encouraged competition for them by increasing the amount of money available for investment.

So far, the Dominion itself and a few other prime borrowers have profited most from the cheap money policies of the federal government. One of the main aims of the cheap money addicts is to extend this easy money to private borrowers. The bond market is considered one of the best barometers of any tendency of this kind. For instance, if corporation bonds are forced to high enough levels by the policy, it would be expected that industry would borrow by sale of long-term bonds. Something of this kind has already taken place. But the hope of those who favor cheaper money is to extend it even further; to small industries and to private mortgagors. The gilt-edged bond market, and the secondary bond market, both of which have moved up, are merely viewed as starting points.

Major Movements

It will be observed from the chart of interest yields on Dominion bonds that there have been three major upward and downward trends since 1900. The major upward trends of interest rates on Dominion bonds occurred from 1900 to 1921; 1928 to 1929; 1931 to 1932. The major downward movements have been 1921 to 1927; 1929 to 1931, and 1932 to 1934.

First there is the 1900-1921 trend toward high interest rates. This might be divided into two sections; the first, the pre-war tendency toward higher interest rates as the demand for money and cost of living were gradually rising in Canada, and the second when the war-time inflation through sale of Victory bonds was in process.

The second upward movement of interest rates, 1928 to 1929, was caused partly by diversion of funds to call loans and to equity investments in stocks.

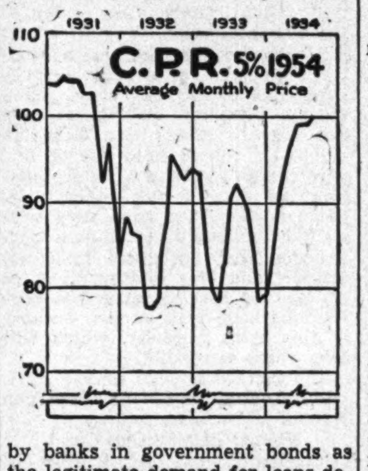
The third major trend toward higher interest rates followed the suspension of the gold standard by Great Britain in 1931.

Incidentally, each of these periods was followed by industrial collapse, or deepening of depression.

Low Interest Periods

The chief periods of declining interest rates on Dominion bonds are led by the 1921-1927 years. In this space, foreign investment in Canada increased rapidly and Canadians also invested heavily in their own country. The 1929-1931 decline is attributed chiefly to a "morning after" feeling following the collapse of the stock boom. Individuals and institutions turned to the best grade of investments for security.

The third and current major downward trend of interest rates on Dominion bonds is considered partly the result of a desire for security above everything else. But it is also viewed as partly due to investment by banks in government bonds as the legitimate demand for loans declined. Thirdly, it is partly attributed to the action of the Ottawa government in keeping new securities off the Canadian market and in increasing loanable funds of banks.



It is noteworthy that the downward trend of interest rates on Dominion bonds late in 1927 halted just short of four per cent. The downward movement in 1931 just reached this objective. But the current movement has outdone both its predecessors.

Cheap Money Policy

It was about a year ago that The Financial Post pointed out that one of the aims of a cheap money policy is to extend the low rates to the less highly regarded borrowers. With business recovery, this aim appears to be in sight, as a result of this year's advances among secondary bonds. The yield available on prime securities has gone so low that funds are apparently being driven into bonds such as those of the western provinces and more highly regarded corporations. Many of such securities, however, are still far below the levels of 1927. But the charts on this page of three representative active issues show that a tremendous recovery has been effected.

While business recovery is given the credit for much of the improvement in quotations for western provincial bonds, and for such issues as the C. P. R. 5's of 1954 and Shawinigan 4½'s of 1970, the Dominion's easy money policy is believed to have assisted the movement.

Dominion's Plans

The Post is reliably informed that the Dominion authorities have no notion of allowing this development to relapse, if the mechanical devices of the federal government can prevent it. This would indicate that it is the intention to keep money cheap by forcing it into gilt-edged bonds. The effects are twofold: to tend to keep interest rates low on government bonds, and by thus making them less attractive to encourage investment in secondary issues. One result not displeasing to the Dominion should be to keep the cost of its financing at a low level. Eastern provincial and municipal borrowers have been happy participants in the borrowing of cheap money this year.

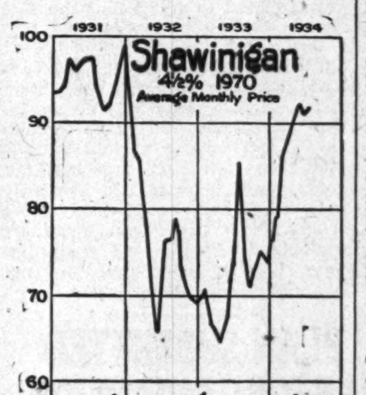
Some Important "Ifs"

Does all this mean that holders of Dominion and the best grades of provincial and municipal securities need only "hang on" to get higher prices? Does it mean that less esteemed governmental and industrial bonds will rise sooner or later?

Apart entirely from the special considerations affecting each individual issue, a number of important national and international factors will probably have a bearing on future tendencies. While the intentions of the Dominion Government are of great importance, investors should remember that there are many "ifs" upon which the successful working of the bond market toward higher prices and lower interest rates must depend. If there is no unusual disturbance of the present nicely balanced Canada-London-New York exchange rates; if there is no violent monetary disturbance in the United States; if Great Britain and the United States successfully maintain easy money policies; if business recovery continues on an international scale; if the new central bank chooses to follow the lines of the Dominion's policy; these and other factors are expected to be of major importance to bond prices in Canada.

Importance of Exchange

For the last six months, the near parity of the pound sterling and the American dollar in Canada has been a major factor in favoring the upward trend of bond prices in the Dominion. The premium on sterling has encouraged Britishers to put money in Canadian securities. The disappearance of the premium on the American dollar has given heart to fickle American holders of Canadian bonds. But further depreciation of the American dollar might lead to heavy selling of Canadian bonds. It did last November, and prices collapsed. A substantial slump in sterling might dry up the flow of British funds to this country.



An inflation of the currency on a major scale in the United States might upset the entire Canadian bond market because of the heavy American holdings of Canadian securities.

Outside Influences

Any important tightness of funds in the London money market would discourage British investment in Canada, and might weaken our bonds. If the United States does not get its interest rates down, and ours continue to drop, there is a possibility of liquidation from New York. Further easing of money in the United States, however, would be expected to give an impetus to the upward movement of Canadian bonds. J. M. Keynes, eminent British economist, has called the present rates of interest in the United States scandalously high. And there is some possibility that further money-easing measures may be tried by Mr. Roosevelt, who seems to have been forgotten while on his vacation.

Of all these influences, however, the foreign exchange rates between Canada, London and New York are regarded as the most potent. A major disturbance of these rates would probably mean an immediate, and possibly unfavorable, effect on Canadian bonds. While this seems unlikely, it has happened before, and may occur again.

Central Bank Plans

Just what attitude the Bank of Canada will take toward money policies in Canada remains to be seen. A great deal is expected to depend on what conditions are early in 1935 when the bank is to start operations. If, as is expected in some quarters, Bank of England policy dominates the new institution, a very easy money policy may be followed. Certainly governmental borrowers would have no objection. While there are some scoffers, close observers of central banking policy in other countries place great importance in the powers of the new bank. And they believe that what the institution does, will be of major importance to bond markets in Canada and to credit conditions generally.

One phase of the Canadian "cheap-money-by-evolution" policy that puzzles many students of the situation is the inability to get industry to use the funds that are available. Sir Arthur Salter has described this as the problem of wedding the cheap money to the use of shy industry. It is to remove the industrial shyness that he has advocated public works programmes in Great Britain. And J. M. Keynes believes that the enormous government spending in the United States will bring about that same happy marriage.

Both these and other eminent students of world affairs believe that money should first be made available at low rates to promote recovery. Their argument is that the cost of mortgage money and bank loans is a major item in the determination of whether a building venture will be profitable. And to induce people to build, they would make money plentiful and cheap.

Relation to Canada

The Canadian bond market seems a far cry from encouraging construction in Great Britain. But the aims of the Ottawa authorities in encouraging the rise of our bonds appears to be based on the Salter-Keynes line of reasoning: The construction industries are the most depressed in Canada. Their revival is necessary to a major recovery. And cheap money is a prime essential to this revival.

Part of the whole process of cheapening money, of course, is the intended raising of the price level. Whether or not this can be done deliberately in Canada, where so many prices are affected by international events over which we appear to have little control, is debatable. Many bondholders have been somewhat perturbed lest they suffer a loss of real purchasing power if prices are raised along with bonds.

Fear of Inflation

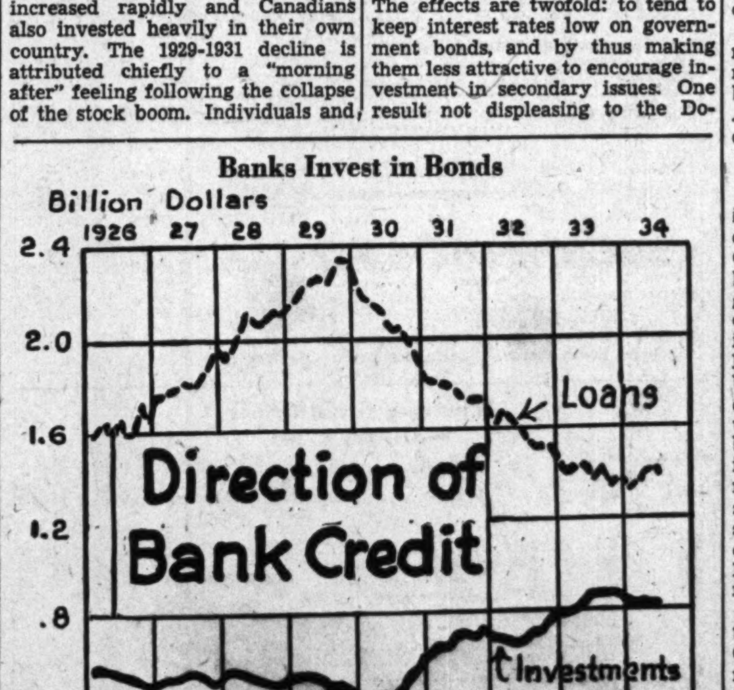
Certainly, the Ottawa policy of encouraging the upward movement of the bond market is "inflationary." But inflation is a term of wide interpretation and is loosely used. However, there are few informed persons who anticipate an inflation in Canada of the kind which made the German mark worthless and depreciated the franc 80 per cent. It is not inconceivable that general prices might rise substantially, but this would not necessarily entail a depreciation in the dollar value of bonds. It would mean some loss of purchasing power for which investors might be compensated by increased certainty that debtors could meet their obligations.

In the case of corporation bonds, a moderate rise of commodity prices is considered by most economists to be likely to improve the position of bondholders by allowing greater profits so that bonds are more certain of being paid in full.

Opinion on Future

A number of Canadian bond dealers have recently expressed the opinion, either directly or by implication, that higher prices for gilt-edged and secondary Canadian bonds will continue. This opinion seems to have the approval of the Ottawa authorities and the backing of British economists. The financial relationship of Canada, however, is so close to the United States, and so intimately linked with the foreign exchanges, that the maintenance of the recent rising trend can hardly be considered certain. Nevertheless, the movement is at present receiving every encouragement.

Banks Invest in Bonds



Canadian banks have been offsetting part of the decline in their loans by investing in securities in the last four years. While total loans have declined by about $1,000 millions or 44 per cent, investments in securities have increased from some $400 millions to $800 millions, or about double. This is believed to have helped maintain bank deposits and to have supported the gilt-edged bond market.

Non-ferrous Manufactures Increased Last Year

Manufactures from non-ferrous metals in 1933 were valued at $167,105,027, an increase of $25,000,000 over the corresponding total for 1932. A total of 469 plants were in operation during the year and a monthly average of 25,856 workers were employed. Payments of salaries and wages totalled $29,171,021 and expenditures for manufacturing materials amounted to $71,954,235.

The majority of the plants in this group were located in Ontario and Quebec. In 1933, Ontario had 306 or 65 per cent of the factories which accounted for a production of $90,878,786 or 54 per cent of the total for Canada. Quebec had 105 establishments and an output valued at $52,108,707. British Columbia was third with 26 plants and a production of $15,691,544.

War On Waste

CITY of Ottawa's recently published estimates for 1934 show an increase of $80,425 in anticipated outlays for social service activities, including relief. The estimates comment: "Owing, however, to the provision for funding up to $500,000 social service relief expenditure this year, the estimates for 1934 are lower than those of 1933 by $419,575." Meaning that the city apparently is going to fund $500,000 of its $1,029,770 of estimated social service expenditures, after avoiding this evil for years.

Naturally, funding of relief outlays will allow at least temporary exemption from heavy taxation. But it is no permanent cure.

What the funding of relief does is postpone payment of money spent. If this is done each year, a municipality's taxpayers soon find themselves paying just as much in taxes as if the whole burden had been levied for in the first place. Only they would have avoided interest charges. Several large cities now appear to be approaching this stage. Not the least of the heavy wastes in Canada's enormous relief bill is the interest waste, while taxpayers are temporarily misled about what relief is costing them.

N. R. A. OPPOSITION GROWS STEADILY THROUGHOUT U. S.

Government Intrusion in Business Chief Cause of Resentment

PLAN NEW COMMISSION

Changes in Many Major Codes Seen as Necessary Even by Authorities— Price Fixing Fails

By DR. GAINES T. CARTINHOUR, New York University

NEW YORK.—The N.R.A. is getting more general criticism than ever before. A changed sentiment has come over many parts of the United States and the mass of opposition to this important part of the New Deal programme is impressive. Those opposing it resent regimentation and the dictation of the Government in business, reaching into every office and in every payroll.

These developments have probably been watched with a great deal of interest by Canadians, who have seen the N.R.A. change trade channels which have existed for many years in the Dominion.

Abolish One Man Rule

Even the strongest advocates of the experiment now consider basic alterations in the organization advisable. General Johnson favors liberalization of the whole set-up, says it is too big a job for one man to handle, and that too many important decisions now have to be made by subordinates. He recommends the abolition of the one man rule and suggests that the administrative functions be turned over to a non-partisan governing board of five members. It is reported he is nearing the end of a gargantuan task and would like to retire in several months, when the new so-called "high court of commerce" may be functioning satisfactorily.

Under any circumstances, it is not likely that the General will be jettisoned until the new organization is completed and he officially submits his resignation. Some prominent N.R.A. advocates urge the separation of the work into two general classifications, one to deal principally with code enforcement, and the other to handle code amendments and matters of policy.

Seek New Commission

This commission action is said to be taken for granted in Washington. It would be a quasi-judicial, quasi-administrative body. Detailed code provisions would not have to be submitted for approval as in the past. This would help somewhat because under the present system considerable time elapses before rulings are forthcoming, and frequently adverse decisions have been rendered without justification. More consistent decisions would probably be forthcoming than from N.R.A. The new organization would attempt to avoid the monopolistic tendencies charged against the N.R.A. Furthermore, the decisions of such a body would not be subject to political pressure, so it is alleged, as in the case of N.R.A. Some economists believe the German cartel court and similar bodies abroad are far superior to the present set-up in the United States.

Reports from authentic sources state that the new commission would not only take over the work of the N.R.A., but also absorb the Federal Trade Commission, major permanent arm of the government for business regulation. The opinion has been expressed that only a commission could operate as a permanent agency and that reorganization of the Federal Trade Commission was implicit in a permanent set-up. As an emergency measure, it is pointed out, N.R.A. required the domination of one man but that the broader views of a commission are advisable over a long period of time. At present there is said to be what might be termed a feud between the N.R.A. and the F.T.C.

Court Cases Loom

It is generally admitted that many of the major codes were only accepted under compulsion, and the N.R.A. is also involved with the Department of Justice in another conflict regarding the loss of constitutional rights in this connection.

Opponents of the code system say that Congress should not continue codes beyond June 16, 1935, the date of their expiration. If the Congressional elections in the fall seem to favor Administration policies, the New Deal may be pushed toward more regimentation. If they do not, Mr. Roosevelt is likely to become conservative and advocate less radical policies. Business conditions at the time will obviously exert an important influence. The general uncertainty as to New Deal policies, both in controlling business and in monetary matters, has been very disturbing and tends to retard business all along the line.

In a final order attempting to codify all industries, operating outside of the N.R.A., by August 9th, the Administration has offered three alternatives to this group: come under existing codes, produce new and satisfactory codes within the time limit, or operate under a new Basic Code. Most of the industries affected are small ones, many of which have been wrangling for months over Blue Eagle requirements. They employ about 2,000,000 of the 24,000,000 industrial workers in the United States.

General Code Terms

The new general code guarantees labor the right to organize, bans child labor, requires safety standards, and requires signers to abide by all fair practice provisions which may be established later. Minimum wages and maximum hours are left to the discretion of the individual industry, with the exception that pay scales and work weeks must correspond with those for related businesses.

It is unlikely that many of the industries will rush in to take advantage of this offer. The labor provisions of this code, for example, are more drastic than those in most of the codes already set-up. In addition, there is little in the existing codes that goes as far as the basic code in the matter of wages already above the code minimum. Such a provision

(Continued on page 12)

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DIVIDEND NOTICES

The Royal Bank of Canada

DIVIDEND NO. 188.

NOTICE is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Saturday, the first day of September next, to shareholders of record at the close of business on the 31st day of July, 1934.

By order of the Board.

M. W. WILSON, General Manager.

Montreal, Que., July 17, 1934.

The Canadian Bank of Commerce

Dividend No. 190

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1934, and that the same will be payable at the Bank and its branches on and after Saturday, 1st September next, to shareholders of record at the close of business on the 31st July, 1934. The Transfer Books will not be closed.

By Order of the Board,

S. H. LOGAN, General Manager.

Toronto, 20th July, 1934.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Common Stock Dividend No. 20

NOTICE IS HEREBY GIVEN that a dividend of 20 Cents per share, being at the rate of 80 Cents per share per annum, has been declared on the no par value Common Stock of the McColl-Frontenac Oil Company Limited, for the Quarter ending August 15th, 1934, payable September 15th, 1934, to Shareholders of record at the close of business on August 15th, 1934.

By Order of the Board,

FRED HUNT, Secretary.

July 26, 1934.

Canadian Hydro-Electric Corporation Limited

Notice of Dividend on 6% Cumulative First Preferred Stock

Ottawa, Canada, July 23, 1934.

The Board of Directors has declared a quarterly dividend of 1½% ($1.50 a share) on the shares of 6% Cumulative First Preferred Stock of the Corporation payable in cash September 1st, 1934, to holders of record of such stock at the close of business August 1st, 1934.

Cheques will be mailed. Stock transfer books will not close.

J. R. BINKS, Secretary.

Blue Ribbon Corporation Limited

NOTICE is hereby given that a dividend of Fifty Cents (50) per share on the preferred shares of the Company has been declared payable on and after August 1st, 1934, to shareholders of record on July 28th, 1934.

DATED at TORONTO this 26th day of July, 1934.

J. C. JAMIESON, Secretary.

WHEAT POOLS PLAN PAYMENTS FOR 1934

Reports Indicate Operations Last Year Were Fairly Profitable

From Our Own Correspondent

REGINA.—A director of the Saskatchewan wheat pool stated recently that the pool handled 60,000,000 bushels of grain during the last crop year and that the net operating earnings will be more than $2,000,000.

Final payment cheques representing 13.78 cents on No. 1 Northern grade at Fort William were mailed this week to pool growers. This brought the net sales of wheat pooled over the whole crop year to 68.7 cents for the grade in question, made up as follows:

Initial payment, 45 cents; interim payment, 10 cents; final payment, 13.78 cents, total, 68.78 cents.

A pool for wheat only for the 1934-35 season is now in operation for all wheat handled after July 16. No initial payment has yet been declared, but this will be done at the regular meeting of the pool board in August.

The Alberta pool has announced its final payment on the 1933-34 voluntary pool. Initial payment for No. 1 hard, based on Vancouver, was 35 cents, an interim payment of 15 cents followed and the final payment is a fraction more than 18 cents. Gross sales price was 69.8 cents and deducted expenses were 1.49 cents. Total payments ranged down to 40.3 for feed wheat.

The announcement of payment stated final payment was made early enough to allow farmers to finance their harvesting. No deduction has been made for elevator or commercial reserve or for repayment of any of the 1929 over-payment. This policy along with the voluntary pool will continue during the next crop year. The initial payment for 1934-35 wheat has been set at 35 cents basis No. 1 Northern in store, Vancouver.

Wheat

From Our Grain Correspondent

Market Fluctuations

WINNIPEG.—The wheat market is experiencing alternate periods of strength and weakness, the fluctuations being intensified by the tendency of overseas buying to be bunched. Export sales continue on a decidedly limited scale, with total purchases by importing countries still held down to small proportions, while because of the higher price at which it is held only minimum quantities of Canadian wheat continue to be taken, British millers especially endeavoring to restrict their use of Canadian wheat so long as proportionately cheaper wheat is obtainable from the Argentine. Nevertheless some Canadian wheat continues to be sold every week, and days on which export sales are practically nil alternate with others on which sales are quite substantial.

The Winnipeg market continues to be a very narrow one, with the great bulk of wheat under control of the Government agency, so a comparatively small quantity of new buying, either of cash wheat for export or of futures for speculative purposes will result in prices running up sharply. Although it is illogical, the Winnipeg market still tends to move up or down in sympathy with Chicago, for although the two markets are on a different basis, with the southern market practically not concerned with world levels, strength or weakness there brings buying or selling in Winnipeg.

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U. S. A. Outlook

ANY uneasiness which develops over the fact that Liverpool and Argentine prices are comparatively much weaker than those in Winnipeg appears to be offset by consideration of the long term position. Although the carry-over in the United States is going to see that country through another year with ample wheat supplies the possibilities of that country next year for the third year in succession failing to produce enough wheat to meet a year's requirements has to be faced. Soil conditions throughout the central and northern states, not to speak of the financial capacity of farmers, have been so impaired by the long continued drought, that restoration of normal productive capacity for next year seems unlikely.

The enormous reduction in food production resulting from failure of pastures and small grains, together with the very small corn crop in sight, seems bound to have effects that will be long continued and that may gain in intensity.

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Western Crop Declines

WEATHER of the past week has much impaired prospects for the Canadian crop. Excessively hot weather in Alberta has damaged southern crops that were promising up to a short time ago, although the northern part of the province still looms for good yields. Both in Manitoba and in central Saskatchewan needed rains failed to materialize. The crop has been maturing rapidly, and harvest promises to be reasonably early.

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World Crops

AUSTRALIAN advices continue to insist that this year's wheat crop is not likely to exceed 125,000,000 bushels, which would allow only 70,000,000 for export. European reports indicate that the reduction of wheat crops from last year had been somewhat exaggerated in earlier reports, and that importing countries may not find themselves exposed to serious pressure to increase their takings very largely during the coming year. Reports from Danubian countries still show small yields, although possibly sufficient to carry different countries through with none to spare for export to the rest of Europe. Possibility of increased demand from China for wheat is seen in damage done to the rice crop, and also in the fact that wheat production is likely to be materially less than earlier indicated.

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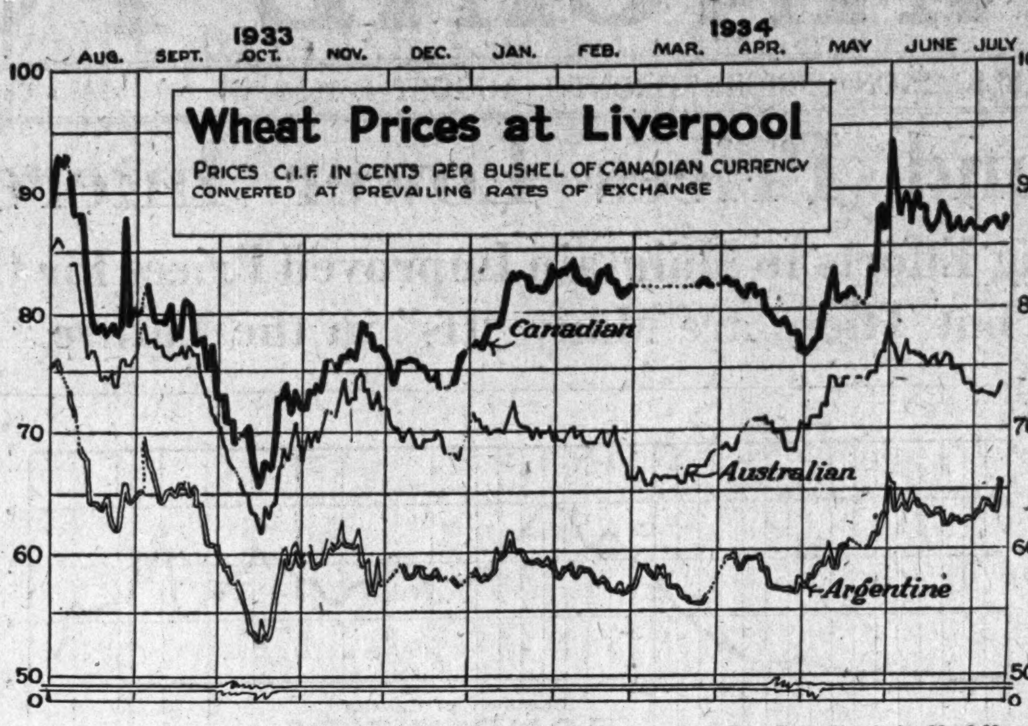
McFarland And London

SURPRISE has been caused by the announcement that John I. McFarland is to go to London to represent the Canadian Government at the August meeting of the International Wheat Committee. Overseas comment had formerly been to the effect that after the failure of the London Wheat Agreement to check Argentine wheat shipments during the past year and the evident fact that shipments from that country during the second year of the agreement would also be far beyond the limits of the agreement not much was to be expected in the way of further efforts at international control of shipments.

It had not been thought that the August meeting of the committee would be considered important enough to justify Mr. McFarland's attendance. In addition it had been assumed that the Government agency under his direction had been pursuing a sales policy based on the theory that a fundamental change had come over the world wheat outlook since the conclusion of the London agreement.

Is Canadian Wheat at Artificial Level?



For the past nine months the gap between Canadian wheat prices at Liverpool and those of our competitors, Argentine and Australia, has been maintained at far above a normal level. The facts of the case for the past 12 months are shown in the above chart prepared by The Financial Post from data supplied by the Dominion Bureau of Statistics. The Canadian price is for No. 2 Northern (Atlantic shipment); Australian wheat is "f.a.q."; Argentine is "rosafe."

CONSIDER BULLISH EARLY ESTIMATES OF WHEAT YIELD

Figures Below Last Year Fail to Impress Observers

From Our Own Correspondent

WINNIPEG.—A private estimate of the western wheat crop which appeared last week suggested a total of only 257,000,000 bushels of wheat, on the assumption of normal weather from the present to harvest time to permit the crop maturing. This appeared on the same day that the North-West Grain Dealers Association came out with a revised estimate of the crop of 1933, which they now put at 274,000,000 bushels, or 20,000,000 bushels more than previously accepted figures

That last year's crop had been under-estimated has been evident for some time, as farmers have now delivered about 25,000,000 bushels more wheat than was theoretically possible under figures at first accepted. Not all of this is necessarily from last year's production, as farm reserves from earlier crops may have been larger than had been supposed, and farmers, it is believed, have lately been cleaning out their bins to an unusual extent, under stimulus of fairly high prices. The increase is accounted for by the North West Grain Dealers on the assumption that acreage figures for last year have to be revised upward, with per acre yields remaining the same as previously reported.

Estimating Difficulties

When uncertainty to this extent can exist as to the actual size of a crop nearly a year after it has been harvested, and in Canada where wheat statistics are gathered to a greater extent than in any other country in the world, the difficulty of making an estimate far in advance of harvest without a margin of error of ten to fifteen per cent can be appreciated.

The majority of observers are not yet prepared to admit that the 1934 crop is likely to be smaller than that of 1933. Manitoba, where the acreage in wheat is not very large, is admitted to be in poorer shape than last year, with practically no possibility of reaching last year's production Alberta, however, although the brilliance of earlier prospects has been much impaired, is generally believed to have considerably more wheat. Parts of Saskatchewan are undoubtedly worse off than last year, just as other parts are undoubtedly much better off.

PLAN SUBMITTED REORGANIZATION COLLINGW'D TERM.

Preferred Shareholders Asked to Surrender Arrears Dividend

A plan of reorganization under the signature of Leslie H. Boyd, president, has been submitted to the preferred shareholders of Collingwood Terminals Ltd.

Under this all claims to arrears on dividend would be surrendered, it being asserted that under existing arrangements there is no hope for anything in this connection in any event. Prior claims for future dividends would also be surrendered.

Waive Prior Claims

It is proposed to divide future dividend claims equally among common and preferred stock. The preferred shareholders under the plan would receive for each $100 share of present stock four shares of no par value preference stock each carrying a preference as to assets to the extent of $25.

Shareholders are being asked to advise the company whether they will accept or reject the plan if a meeting is called, the company not wishing to have the expense of a meeting until support is assured.

Would Get Business

In his letter to the preferred shareholders Mr. Boyd states "Gordon Campbell, barrister, of Toronto, representing certain large grain interests, has purchased the controlling interest in our company, with a view to shipping considerable grain through our elevator, thereby placing the company in a better earning position and so increasing the profits."

The grain interest represented, The Financial Post understands, is Toronto Elevators. Mr. Boyd states that the interests represented are prepared to invest a large amount of capital in grain and ship it, presumably through Collingwood Terminals. The latter, it is stated, has never had a reserve of capital which might be invested in grain.

Statistics Reveal Disparity In Canadian Wheat Price

Wide Spread Maintained in Last Crop Year Between Australian and Argentine Product

That the "disparity" between Argentine wheat prices and those of other countries has been the widest in many years is graphically indicated in a special survey of the price of Canadian wheat in relation to Australian and Argentine products, prepared by the Dominion Bureau of Statistics in its monthly review of the wheat situation.

Although presented in a non-controversial form, the survey gives point to the view taken by the Canadian milling trade at the present time that Canadian prices have been held out of line with those of its two chief competitors and that for this reason Canadian millers have been very seriously handicapped in finding a market for their products in Great Britain and the Continent. It is claimed by this industry that connections have been broken because of this price disparity, which will take years to rebuild.

The picture as seen by the Agricultural Branch of the Dominion Bureau of Statistics follows:

Normal Relationship Upset

"Normally, the relationship of wheat prices is determined by quality and by the freight and other carrying charges between the country of production and the importing regions. In these days when the restrictions of importing countries and the selling policies of exporting countries play such an important part in price determination, the usual relationships are thrown out of line. During the present crop year, the prices of Canadian wheat have remained considerably above the prices of other sorts.

"The major spreads between these wheat prices began to appear in January, 1933 after a period of six or eight months when the three price series moved closely together. While there are numerous factors leading to the higher quotations for Canadian wheat, one of the basic reasons is the abundance of soft, low quality wheat in Europe and the United Kingdom, the need of high quality wheat for mixing and the preference for Canadian wheat while duties are so high and restrictions so close.

"Australian wheat prices stayed close under Canadian until mid-November, 1933. Then prices of Australian wheat did not follow the rise in Canadian which took place in the first month of 1934. A spread of two to three cents in mid-November had widened to 14 cents at the end of January. This grew even wider during March, being 15½ cents for a few days, but narrowed in April and May during the period of rising prices. On July 11, it amounted to 13½ cents.

Argentine Compared

"Argentine C. I. F. prices have moved in closer relation to Australian than to Canadian wheat prices during the present crop year. During the period of heavy Argentine selling in the first few months of the year, the best Argentine wheats were selling 20-25 cents under Canadian No. 2 Northern and this gap has narrowed very little since. The disparity between Argentine wheat prices and those of other sorts is the widest in many years and is only partly accounted for by the necessity of competing with Empire wheats in the United Kingdom where the tariff is two shillings per quarter. Argentine prices have obviously fluctuated less than prices of other sorts; they have been sensitive to declining tendencies, but until very recently, not so sensitive to bullish enthusiasm.

"During the period under review Argentine prices showed a range of 23 cents. The range of Australian prices amounted to 24½ cents, and Canadian No. 2 Northern made a range of 27 5/8 cents. In the period from December 1, to April 30, Canadian prices also showed the widest variation, the range being 10½ cents compared with seven cents for Australian and only 6¼ cents for Argentine Rosafe.

"In the last upward movement, which began about May 1, Canadian prices have advanced the most. On July 7, they had risen 11 cents or 14.3 per cent. Argentine prices, gaining eight cents, show an almost equal percentage rise of 13.8 per cent. Australian prices have advanced only 3½ cents or 4.8 per cent."

Says Canadian Wheat Too Dear in Europe

Canadian wheat is priced too high in the European market, C. F. Raikes, European manager of the Northwest Miller, Minneapolis stated on his arrival in Canada recently.

"The reason Canadian wheat is not selling to-day is because it is five shillings a quarter higher than that of other countries," he contended. "Canadian wheat is worth three shillings a quarter more than others, not the five shillings Canada is demanding.

"Canada is not selling wheat to France, and is selling less to the Netherlands. Scandinavia takes most of her wheat from Great Britain and Denmark cannot buy more Canadian flour because the Dominion is not buying enough Danish goods."

Key Facts About Wheat

	Week bu.	Prev. Week bu.	Same Week Year Ago bu.
Canadian Wheat in Store:			
Fort William, July 27	58,094,678	57,433,888	60,783,673
Country elevators, July 20	65,972,955	69,346,722	73,564,882
Total, all points, July 27	185,390,397	184,170,136	196,607,489
World Shipments, incl. flour, July 30:			
North American	3,022,000	3,659,000	3,812,000
Argentine	3,393,000	4,611,000	3,124,000
Black Sea*	48,000	104,000	
Australian	2,006,000	1,958,000	1,690,000
Total, world	8,989,000	10,892,000	9,139,000
Visible Stocks:			
Canadian, July 18	106,481,000	104,714,000	111,082,000
United States, July 18	95,700,000	86,035,000	125,393,000
Argentine, July 9	20,207,000	20,574,000	14,328,000
Australian, July 23	58,248,000	61,240,000	34,000,000
Canadian Marketings and Exports:†			
Canadian exports, July 27	2,485,981	2,493,913	2,713,925
Cum. to July 27 (52 weeks)	153,304,493	150,818,512	221,653,303
Prairie marketings, July 13	2,885,803	2,259,792	2,967,503
Cum. to July 13 (50 weeks)	221,620,934	218,735,131	366,277,650
Country deliveries‡, July 27	2,606,000	3,136,000	2,822,000
Country loadings‡, July 27	4,177,000	5,718,000	2,793,000

* Includes South Russia. †Excluding flour. ‡Sanford Evans weekly report.

Winnipeg Grain Prices

Week to July 31, 1934

Crop year from Aug. 1, 1933 High	Low		Open July 25	High for week	Low for week	Close July 31
		Wheat				
.87⅞	.62¼	July	.84¼	.87⅞	.82⅜	.87⅞
.89¼	.68⅜	Oct.	.85¼	.89¼	.84¼	.88⅜
.90⅞	.78¼	Dec.	.86⅞	.90⅞	.85¼	.90¼
.94⅜	.89¼	May	.92	.94⅜	.89¼	.94¼
		Oats				
.40⅞	.30⅜	July	.39¼	.40⅜	.38⅞	.40⅜
.41¼	.32¼	Oct.	.39¼	.41	.39¼	.40¼
.42¼	.35⅞	Dec.	.38⅞	.40⅞	.38⅞	.41¼
.43	.41⅞	May	.42¼	.43	.41⅜	.42¼
		Barley				
.49⅜	.35	July	.46⅞	.49⅜	.46⅞	.49⅜
.50¼	.37¼	Oct.	.47	.50¼	.46⅜	.50
.50⅝	.43¼	Dec.	.48¼	.50⅝	.47⅜	.50⅜
		Flax				
1.74	1.39⅞	July	1.61¼	1.64	1.58⅞	1.63
1.75	1.40	Oct.	1.64	1.66¼	1.61⅞	1.66¼
1.66⅞	1.55⅞	Dec.	1.63	1.64⅜	1.60⅞	1.64¼
		Rye				
.61⅜	.41⅜	July	.58⅞	.61⅞	.58¼	.61⅜
.62⅜	.43¼	Oct.	.59¼	.62¼	.59¼	.62¼
.64¼	.50¼	Dec.	.60⅞	.63¼	.60⅞	.63¼

MARKETABLE CROP OF COARSE GRAIN IS SHORT IN SASK.

Wheat Crop of 140 Million Bushels Now Predicted

From Our Own Correspondent

REGINA. — Saskatchewan will have a short crop of marketable coarse grains for 1934 and practically none will be marketed from the south-east and south-central portions where extensive cutting has occurred under government advisement when grasshoppers appeared. Such harvestings will be used for feed alone.

The only coarse grain to show larger acreage this year is oats. A tentative estimate of possible bushelage follows:

(Millions of bushels)

	1934	1933	10 yr. avge.
Oats	94.	75.	121.
Barley	16.3	17.6	25.7
Rye	1.3	1.8	6.7
Flax	.8	.4	3.6

Yield of 140,000,000 Bushels

One source states that on a seeded acreage of 13,120,000 the wheat crop will likely be, as it stands in early August, slightly under 140,000,000 bushels. Estimates have been made as low as 122,000,000, but they are thought to be somewhat bullish. Yields will range from 5 to 20 bushels an acre but in places might be a great deal higher.

Wheat now stored in Southern Saskatchewan elevators will remain there. Practically none will be shipped from this area in the fall. Elevators are usually cleaned out at this time of the year for the new crop and old grain sent to terminal elevators.

Rust Appears

Stem rust has appeared in the Saskatoon district, but with dry weather, pathologists are not expecting it to spread. It has been found in wheat not far from Saskatoon. The department of agriculture is advising farmers who think their wheat to be rust damaged to cut it for fodder as such a crop would be more valuable to the farmer as fodder than as poor grade wheat, particularly if he has not much feed.

In the northwest part of the province there is a strong movement for forage crops where all the old free range land has been planted with alfalfa and grasses. On farms where the ground was very dry in the early summer a Himalayan grass, known as Ladak, will outyield others.

Crop Yields Cut Throughout West Rainfall Needed

Hopes for a 300,000,000 bus. wheat crop in Western Canada have been fading during the past week owing to the effects of hot, dry weather throughout almost the whole area. The northern section has been less affected and prospects there are still for a fair crop, but severe burning has taken place in Southern Manitoba, Saskatchewan and, to a lesser extent, in Alberta.

"Yields of all grains have been severely reduced," the Dominion Government crop report, dated July 31, states. The decline will continue until heavy rains fall but, says the report, there is little prospect of rain for forty-eight hours.

An estimate of 257,000,000 bushels for the Western crop was recently made by Bruce McBean, Winnipeg. In his report he points out that the crop in Manitoba and Saskatchewan from the United States border to the C.P.R. main line is practically a failure.

Ontario is also suffering severely from drought, according to a report of the provincial department of agriculture. Grain, root and pasture yields are all affected, the report states. Field crops in Western Ontario are reported as in hazardous condition, although some other sections report fall wheat and hay crops fairly well cut.

Fruit crop yields can now be more accurately estimated and the extent of winter damage appears to be about as severe as anticipated. Both apple and peach yields in Ontario will be considerably reduced.

EXPORTS OF PAPER DECLINED IN JUNE

Total For 12 Months Higher Than in 1933 Period

Total Canadian exports of paper and manufactures of paper in June was $7,277,892. This compares with $8,074,867 in May and $5,988,610 in June, 1933. For the 12 months ended June 30 the total was $80,609,616, compared with $72,430,385 for the corresponding period the year before. Of June exports, $5,645,904 went to the United States.

Newsprint exports in June totalled $6,816,158, compared with $7,618,467 in May and $5,696,713 in June, 1933. In addition to the paper exports, wood pulp and screenings were exported to the value of $2,116,134, as compared with $2,163,636 in May and $1,904,248 in June, 1933. Pulpwood exports totalled $760,000, as compared with $215,612 in May and $528,828 in June, 1933.

Metal Prices

New York—July 31—

Copper: Electrolytic spot and future, 9c.

Silver: 46⅛c.

London—July 24—

(Long Ton)—

Copper: Electrolytic spot, £31 15s; future, £32 5s. Standard spot, £28 17s 6d.; future, £29 2s 6d.

Tin: Spot, £231 7s 6d; future, £231 5s

Lead: Spot, £11; future, £11.

Zinc: Spot, £13 10s; future, £13 10s.

Silver: 20⅛d. per ounce.

Gold: 138s 0½d.

Canada—July 31—

Gold: $34.20.

WELLINGTON BLDG. GETS COURT ORDER FOR REORGANIZING

Bondholders to Consider Reorganization Plan on Aug. 21

Wellington Building Corp. has called a meeting of bondholders under the Companies' Creditors' Arrangements Act to consider a scheme of reorganization, with authority of the court. The meeting is to be held in Toronto on Aug. 21.

The meeting of bondholders to consider the proposed reorganization scheme was originally to be called Aug. 7 but was deferred while the building corporation took court action against the "bondholders' protective committee." The building corporation has obtained a court order restraining the committee from sending to bondholders any circular letters containing alleged misrepresentations as to the proposed reorganization scheme. The court has also ordered the committee not to use proxies obtained by means of such letters.

The court action arose from a letter mailed by the committee in July in anticipation of the proposal of reorganization. Action for damages is still before the court.

Plan to Reorganize

The scheme of reorganization sponsored by the debtor company under the Companies' Creditors' Arrangements Act proposes that funds now in the hands of the London and Western Trust Co., trustee for the bonds, be distributed among the bondholders and that balance of arrears of interest up to July 5, 1934, be cancelled.

It is also proposed that the present 6½ per cent bonds be cancelled and new first mortgage bonds of the same amount be issued. The proposed new bonds are to be secured by a new 15-year first mortgage carrying interest at 5 per cent. Principal would be payable over the last ten years of the mortgage at the rate of $10,000 annually.

Other Provisions

It is also proposed that the new first mortgage provide that in case of default no action can be taken by the trustee without the consent of a majority of bondholders. The building company also requests that bondholders give it the right to repay the whole or part of the principal of the proposed new bonds at any time without notice or bonus. The company also asks to have the right at any time to raise a new first mortgage to entirely pay off the bonds.

In a letter to bondholders, David Garfinkle, president of Wellington Building Corp., states that the proposal will make it possible to pay interest promptly and regularly and to meet principal payments when they become due. He also says it will be possible to eliminate the costly legal and receivership expenses.

The building, which was erected in 1929, was placed in receivership in 1930. Despite the difficulties arising from the downward course of business since that time, three coupons on the bonds have been paid. This leaves interest in arrears on the $425,000 issue from July 5, 1931.

REGENT KNITTING IMPROVED PROFITS

Loss in First Half of 1933 Changed to Profit in 1934

From Our Own Correspondent

MONTREAL.—In The Financial Post textile number of July 28 Regent Knitting Mills by error was credited with a net profit of $100,109, whereas what should have been stated was that the company made a net improvement of $100,109 in the first half of 1934 as compared with the first half of 1933. The loss in the first half of 1933 had been $82,616 and in the first six months of 1934 the net profit was $17,493, an improvement of $100,109. Sales were up 55.5 per cent.

There had been a marked improvement in the last half of 1933 so that the net loss for the year after all reserves was only $34,300. Despite the poor showing of the first half of 1933 this enabled the company to show an increase in sales for the whole year 1933 of 7 per cent over 1932. The bank loans were reduced, adequate reserves written off and the company came into 1934 well equipped to handle the orders which in the first quarter were double those of the first quarter of 1933. Increased volume and profits are expected for 1934 as a whole.

The company's funded debt stands at $389,800. Against this it has a sinking fund obligation to pay $10,000 on August 31, 1934, and $10,000 yearly thereafter for eight years. This would retire $90,000 by August 31, 1942, leaving $299,800 when the issue falls due.

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Your Investments

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Monarch Knitting

What is your opinion of Monarch Knitting preferred, quoted at $71?

Should I sell at this price? This stock was left to us in a small estate settlement.

Before 1934 preferred dividends of Monarch Knitting Co. were not paid since 1930 and had not been entirely earned since 1929. In 1933 the earnings were $9.30 a share.

The company began payment on these three years' arrears with $3 a share in 1934, and we understand that business so far in 1934 has continued in greater volume than in 1933.

The first year of the depression was hard on the company. It had an operating loss of $59,613. It earned $2.12 a share on preferred in 1931, $1.62 a share in 1932, and $9.30 in 1933. More is hoped for this year as the first part of 1933 was not favorable.

The company has a good working capital position except that at the end of 1933 it still had secured bank loans outstanding at $143,401. That has been reduced further.

Counting arrears the company will pay at least $7 a share in 1934. The arrears are $50 a share but earnings are better than for many years. If prospects continue as favorable, a dividend increase at the end of the year would not surprise observers.

Famous Players

I hold Famous Players 6½ per cent debentures, due 1948, and have observed a recent slump in the price of these. Was this due only to market conditions?

Since you wrote the price of your Famous Players 6½'s due 1948 has improved appreciably. The price of these bonds has fluctuated between 70 and 80 for most of this year. Bond interest is being earned by a larger margin in 1934 than for over two years.

You should remember that the 6½'s which you hold are not the senior security of the company. There is $5,247,500 of six per cent first mortgage bonds due 1948 outstanding as well as the $2,794,000 of 6½ per cent debentures also due 1948. The first mortgage bonds are quoted at around 92, which does not appear to be a very heavy discount from par in view of the difficult conditions that Canadian industries have been encountering in the last two or three years.

Naturally, the debentures being a second charge sell at a lower price.

In 1933 Famous Players earned all bond interest 2.19 times before depreciation and 1.11 times after this charge. This is not a very large margin but cannot be considered unsatisfactory in view of the difficult business conditions in 1933.

Recent fluctuations in the price of your debentures are believed to have been due chiefly to market conditions. Both the condition of the market and the position of the company appear to have been improving.

Manitoba Bonds

Can you give me some information on the province of Manitoba that will indicate the position of the provincial bonds?

The financial position of the province of Manitoba appears to be improving very materially. Expenditures have been reduced and the province has recently reported a deficit of only $36,000 for the fiscal year ended April 30, 1934. A year ago it had been anticipated that the province might have a deficit of as much as $1,000,000. The province has obtained loans from the Dominion government to finance relief and maturities of debentures. However, it is anticipated in informed financial circles that the province may be able to stand on its own feet within the next year.

Crop conditions in the province are fairly good this year and the area has benefitted from a growing gold mining industry, and also has important base metal deposits which are being worked actively.

All these conditions and especially the state of the provincial finances are important to the bonds. As you can see, developments in the last twelve months have been much more favorable than for some time.

Walker Pref. and Common

I am contemplating buying some stock in H. Walkers-Gooderham & Worts. Will you please give me your opinion of this stock and whether it would be best to buy the common or preferred with a view to appreciation?

Preferred pays dividends; common does not. Preferred may eventually be retired, leaving common as only call on earnings. The preferred stock is the bird in hand and the common stock dividends a whole flock of birds carolling sweetly in the bush.

Common pays nothing, but by December some say it may pay at the rate of $4 a share.

Management is good. The company has just completed the largest distillery in the world. What profit it can make depends on a variety of factors, taxes, duties, laws, prices, extent of lawless competition? But hope is replaced at present by keen watching. Results count more than calculations from now on.

Major companies in the liquor industry are having trials in many directions. For one thing, their receivables are very high, and they are in constant need of adding to their working capital. For another, stocks of aged liquor in the United States, used for blending or for direct sales, have practically disappeared, and the liquor companies are faced with the necessity of getting new stocks of aged liquors from Canada or from abroad, an expensive procedure. The campaign for lower prices for liquor hasn't abated, and buying at this time of year isn't in the same volume as it is in the winter months. And bootlegging goes on apace.

But Walker has the aged liquor in Canada to draw from, facilities for making cheap liquor outside its best-known brands. Those close to it are confident of the company giving a good account of itself.

Donnacona Paper

Will you be good enough to let me have your opinion on the bonds of the Donnacona Pulp and Paper Co.? Are these bonds regarded as a safe investment?

The bonds of Donnacona Pulp and Paper Co. are usually placed in a semi-speculative category. This company, whose proper name is Donnacona Paper, was reorganized in the summer of 1932. Manufacturing operations are limited to the production of newsprint, pulp and insulating board.

Since the reorganization, the company's financial position has been strengthened. The report for 1933 indicated that a satisfactory working capital position had been established. There were no bank loans or other liabilities beyond a small amount of accounts payable. Earning power of the company, however, continues to be of limited proportions—insufficient to take care of bond interest. Under the reorganization plan, the company is not obligated to pay interest until August 1 of this year. From that time until August 1, 1936, interest will be paid out of net income only, such interest to be cumulative, and accumulation to bear interest at 5½ per cent per annum. It is difficult to say whether or not the company will pay interest on its bonds this fall, much depends upon the volume of business handled and the price received for its newsprint and insulating board.

Sandwich Bonds

Will you please advise me concerning debentures of the town of Sandwich?

As you probably know, the Town of Sandwich has been in default of interest and principal on its bonds for a considerable period. There appears to be no early possibility of a payment on the bonds.

Supervisors of the municipality drew up the town's budget this year on the assumption that 75 per cent of taxes should be collected. After adjustment on assessments and expenditures, it appears that only 73.3 per cent of the tax levy need be collected to cover current operating expenditures but without any allowance for payment of any debenture charges. Up to June 30, 44 per cent of the 1934 tax roll had been collected. Obviously, this leaves a good deal of collecting to do before the supervisors' aim is reached. Tax collections will have to improve materially before it will be possible for the town to collect more than enough to operate its ordinary services and leave something over for bondholders.

The town's debenture debt is approximately $3,029,000. It also had a separate school debt of $310,000. In addition, $137,000 was owed to the bank early this year on account of local improvement outlays. In addition to this, the town had a current debtor position with the bank of $140,000. This is a distinct improvement over the position at May 31, 1933, when the current bank account showed a debit of $258,000 and in 1932, a debit of $351,000.

Despite this improvement in the banking situation, however, you can see that the town will have to improve its revenue position materially before there will be anything for bondholders.

Southern Canada Power

I hold 1,100 shares of Southern Canada Power preferred, which cost me $100 per share. I have been advised to sell these for $80 or better but as a steady income has been coming from the investment I am inclined to hold. How is this security regarded?

Gross earnings of Southern Canada Power Co. for the year ended September 30, 1933, amounted to $2,114,720 as against $2,224,444 for 1932 and $2,355,111 for 1931, which was the peak year of the last seven. Net earnings in 1933 were $1,333,288 with a net profit of $745,103. After dividends on preferred and common stock there was a deficit for the year of $73,618 compared with a deficit in 1932 of $11,179. During 1933, the preferred stock earned $10.51 per share and the regular dividend of $6 was paid. The common stock earned 80c. a share and $1 was paid in dividends.

Since the end of the fiscal year in 1933, there has been improvement with gross earnings for the first nine months which are placed at $1,645,308 compared with $1,589,582 for the corresponding period in 1932. Net earnings for the first named period amounted to $1,059,158 compared with $1,026,728 for the first nine months in 1932, or an increase of slightly over 3 per cent.

There was a steady increase in the number of customers served from 1914 until 1932 and only a very slight falling off in 1933. The output of electrical energy has shown steady gains over practically the whole period with the largest output in the company's history reported in 1933, while 1934 figures are also at new peak levels.

Working capital of the company is considered to be very strong with a surplus of current assets over current liabilities of $3,510,605, or a ratio of nearly six to one, at the end of the last fiscal year.

Your holdings of such a large block of the preferred shares puts you in a different position to the average investor. At Sept. 30, 1933, there were only 70,889 of these shares outstanding. The warning against putting all your eggs in one basket might apply in this case, provided of course other investments giving equal safety and as satisfactory income could be made.

Robert Simpson Pfd.

Would like to know the position of Robert Simpson, six per cent preferred stock.

The Robert Simpson Co. is wholly owned and controlled by Simpsons Ltd., and since it is the operating company its stock is a charge on earnings prior to securities of Simpsons Ltd. The 6 per cent preferred stock is cumulative with dividends payable in Toronto and London. It is non-callable. Dividends have been paid regularly since the stock was originally issued in 1912. For the year ending Jan. 3, 1934, the net profits of the Robert Simpson Co. were $494,816 as against $501,993 for the corresponding period of 1933. Based on the $3,350,000 6 per cent preferred stock outstanding, these earnings were at the rate of $14.77 per share in 1934 and $14.99 per share in 1933.

Can. Paperboard

I hold a Canadian Paperboard bond. Is it worth anything?

Your Canadian Paperboard bond is exchangeable for 5 new preference shares and 1¼ new common shares in the company under a reorganization scheme which was adopted in 1933. The shares are quoted at fairly low prices, we understand, and the market for the bond is very small. We believe that there may be some buyers for the bonds around $4 per $100. The bonds are offered for sale at $10 per $100. This is a very wide spread, but this frequently occurs in an inactive market such as exists for the bonds you mention.

Dividends on the new 7 per cent preferred stock become cumulative after Jan. 31, 1936. These shares have exclusive voting rights. Since the plan is binding upon all bondholders, and the market for the bonds is likely eventually to disappear, you might as well make the exchange, unless you wish to accept the very low price at which the bond is quoted.

Border Cities Co.

What chance is there of some recovery of principal for holders of The seven per cent bonds of Border Cities Co.?

Some $23,000 is held by the trustee, Trusts and Guarantee Co., Toronto, for holders of 7 per cent first mortgage bonds of Border Cities Co. This is the equivalent of about five cents on the dollar for the $480,700 of bonds outstanding. A distribution of 10 cents on the dollar was made in 1930. The trustee also holds title to various sales contracts for land in the Border Cities area. We understand there is small possibility of collecting some of these accounts. The amounts are nominally sufficient to secure the bonds but may not be realized.

Richmond Bldg.

Is there any early prospect of an interest payment on Richmond Bldg. first mortgage bonds? Have you any recent information on the property?

Richmond Building operating the Central Building in Toronto has been in default of bond interest since July 1, 1933. Trustee for the 7 per cent first mortgage bonds, the Royal Trust Co., Toronto, is in possession. We understand there is no immediate prospect of an interest payment and the excess revenues are being applied against tax liabilities. A bondholders' meeting may be called in the fall of this year and complete information given to bondholders. The building is centrally located in Toronto and has had a fair record of occupancy, but rentals have been low.

Tecumseh Bonds

I hold a five per cent bond of Tecumseh, Ont. What information can you give me about this bond?

In connection with the town of Tecumseh, all bondholders are in the same boat as to priority. They are getting neither principal nor interest on their debentures and there does not appear to be any immediate prospect of their doing so. The supervisors budgetted this year, and after assessment adjustment the budget was based on the supposition that about 71.1 per cent collection of current taxes would allow the town to meet its operating expenses but would leave nothing over for debenture charges. Up to June 30, 1934, 29.4 per cent of the current tax levy have been collected. As you can see, this is a long way short of the necessary 71.1 per cent, and even this would leave nothing for the debenture holders. The town has a debenture debt of approximately $504,000 and had a net bank debit of $7,800 as at May 31, this year. The bank debit is a considerable improvement since this figure was $32,600 at May 31 a year ago and $74,100 in May, 1932.

Loblaw Groceterias

I am a stockholder in Loblaw's Groceterias and am thinking of increasing my holdings. However, I would like to know how Loblaw Groceterias Inc. in Buffalo is doing. Does Loblaw Ltd. control above company?

There is no confirmation that Loblaw Groceterias Inc. of the U. S. A. is owned and controlled by Loblaw Groceterias Co. Ltd. of Canada. In the financial statement of the latter company, the American Loblaw is treated as a company in which the Canadian concern has an interest. This interest, states the report, amounts to 2,841 preferred shares valued at $260,000 and 28,600 common shares valued at $1. This is a very small part of the total assets of the Canadian company which are valued at $6,872,891 in the report for the last fiscal year which ended May 31, 1934. There is no information available of the earnings or sales of the American company.

For the year ended last May, Loblaw Groceterias Co. Ltd. showed a net profit of $927,299 as against $987,852 for 1933. This compares with a peak profit of $1,088,022 in 1930 for the last seven years. Total sales in 1934 amounted to $14,780,578 compared with $14,219,053 in 1933. Last year the company earned $1.12 on classes A and B stock compared with $1.18 in 1933. In both years a total dividend of $1 was paid on both classes of stock.

McColl-Frontenac

I hold a few shares of McColl-Frontenac Oil Co. At present I am going over my list of investments and would like to have a report from you as to position of the company so that I may decide whether or not to hold.

McColl-Frontenac Oil Co. is one of the largest oil refining and distributing companies in the Dominion. Its progress in recent years has been substantial and in the fiscal year 1934 the company showed earnings of $15.19 on its preference stock, and $1.27 on its common stock. Regular dividends have been paid on the former at the rate of $6 per annum while a distribution of 60 cents a share has been made on the common stock for the last three years. Prior to that time the company had paid interim dividends on the junior issue. At present, McColl-Frontenac is paying 20 cents quarterly on its common stock, or at the rate of 80 cents a share annually. The company's earning power has now been placed on an established basis and it is to be expected that the company will have no difficulty in earning enough to cover the new dividend rate on its common stock.

Millions for a Toy

Is there any value to North American Wireless Corporation stock issued in 1909? The last known address of this company being No. 1 Madison Ave., New York City.

Though The Financial Post does not answer enquiries concerning United States companies, the case of North American Wireless Corporation stock issued in 1909 deserves attention as it was a foreign racket that attracted many Canadian dollars.

North American Wireless Telegraph Co. was incorporated under the laws of Maine in 1909 with a capital stock of $10,000,000. This concern absorbed the Radio Telephone Co., the Atlantic Radio Telephone, the Civic Radio Telephone Co., and the, Great Lakes Radio Telephone Co. This colossal group was based upon a wireless telephone which navy officials, it was reported, declared to be nothing but a toy. About $3,000,000 radio stock had been sold when the promoter, Elmer C. Burlingame, was arrested by the post-office department for using the mails to defraud. He was sent to Atlanta Prison and fined $10,500. The company has gone out of existence and the stock is worthless.

Can. Fairbanks-Morse

Dividends on the six per cent preferred stock of The Canadian Fairbanks-Morse Co. have been paid in full to date, the last quarterly payment of 1½ per cent having been made on July 14. In an item on this page last week it was erroneously stated that the dividends on the preferred stock had been deferred in the fall of 1931. The company deferred its common dividend in the fall of 1931, but paid 25 cents a share March 15, 1932. Since then no dividend has been paid on the common. The company has maintained a very strong liquid position with current assets of $2,973,889 against current liabilities of only $149,205 at Dec. 31, 1933. This left working capital at $2,824,684, and the ratio of current assets to liabilities was 19.93 to one.

Dividends were not paid on the preferred shares in 1924, 1925 and 1926. But the resulting 18 per cent of arrears was cleaned up in 1927 and 1928 in which years the regular six per cent was also paid. The regular rate has been maintained since that time.

More Concentrated Milk

The combined production of all items of concentrated milk in the month of June was 12,546,946 pounds, an increase over June, 1933, of $1,494,186 pounds, or 14 per cent.

New Settlers

Twenty-seven new settlers took up homesteads on crown lands in fifteen townships of the Thunder Bay district during June, according to the monthly report of Major S. H. Wilson, crown lands and colonization agent at Port Arthur.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Eureka-Kirkland Gold

A customer of ours invested some years ago in Eureka Kirkland Mines. She has heard little since. Now she is being approached for further investment. What do you think of this property?

Eureka Kirkland Gold Mines was incorporated with an Ontario charters in 1922 and at no time gave any undue promise as a prospective mine. It owned four gold prospects in Morissette Twp., Kirkland Lake district, and nine unpatented copper-nickel claims in Creighton Twp., Sudbury district. A limited amount of surface work has been done, but throughout its career the company was hampered by lack of funds which finally resulted in suspension of operations a number of years ago. Even if, as indicated in the letter from W. F. MacPhie, secretary, the company has succeeded in gaining further finances to continue developments, it can only be considered as an undeveloped prospect.

Maple Leaf Mines

Could you tell me something about Maple Leaf Mines and where this company's properties are?

Maple Leaf Mines is an exploration and holding company with principal interest centring about its subsidiaries, Casey Summit Gold Mines and New Roy Gold Mine. Casey Summit is a property of proven merit. Recently it was reported that the mill building was completed and the heavy machinery in place. It is expected that the mill will start turning over by September 1. Although the shaft is down 300 ft. on account of the dipping of the vein engineers estimate that they have the equivalent of 500 ft in depth. New Roy Mine is the prospect in Quebec which has an encouraging gold showing.

Cons. Chibougamau Gold

I bought some consolidated Chibougamau stock recently, without fully investigating the structure of the company. Will you please tell me what you think of this company, and what its capitalization is?

Consolidated Chibougamau Gold Fields was recently formed to acquire all the assets of Chibougamau Prospectors. This company has undergone a series of reorganizations since incorporation in 1928. At present of an authorized capitalization of $3,000,000 the company has $1,200,000 outstanding and issued for cash. It is understood that the balance of the shares are under option to A. H. McKay, of New York, to net the company $1,050,000 by 1936 of which $150,000 is due in 1934. To date no financial statement has been issued by the present company, but a balance sheet as at February 28, 1934, issued by Chibougamau Prospector's Limited before it turned all its assets over to the present company showed current assets of $12,354 and current liabilities of $3,700. Diamond drilling on the company's property in Obalski and McKenzie townships in the Chibougamau district of Quebec started early this year but there has been no report which would warrant one becoming unduly enthusiastic about the company's prospects.

Pickle Crow

What is the outlook for Pickle Crow? Would you call it soundly managed, from both a company and mine point of view?

Pickle Crow is an intriguing company with sound finances and technical direction. Present plans call for the construction of a mill some time in November. Hydro-Electric Power is presently under development on the Albany River. The company has complied with listing requirements in both Toronto and Montreal and the balance sheet as at March 31, 1934, showed current assets of $159,889 and current liabilities of $48,122. At that time 2,512,605 out of the 3,000,000 shares authorized were outstanding, and a supplementary audited statement shows that the remaining treasury shares, 489,395 were sold to net $235,701. If, as is reported, the Ontario Government goes ahead with the scheme to build a marine railroad from Lac Seul to Lake St. Joseph in the Patricia area it will greatly accelerate development at this company's properties.

Sylvanite Gold Mining Co.

Sylvanite has been recommended to me. Would you kindly give me your opinion of this company?

The record of Sylvanite Gold Mining Co. is one of healthy growth and steadily increasing production. The recent annual report of this company shows that earnings, which after all write-offs amounted to about 24c. per share on the 3,299,500 shares outstanding were well above dividend requirements. Earnings for 1933 compared with 6c. per share in the previous fiscal year. Dividend requirements are 15c. per share.

Edward L. Koons, president of the company, stated recently that the mill capacity will be increased to 350 tons daily and it is expected that the new production schedule will be started on August 1. Recent diamond drilling has indicated that there is no danger of the company running out of ore in the immediate future.

Rackets

Racket: "A trick, dodge, scheme, game, line or business or action."—Shorter Oxford English Dictionary.

False Arrest

SECURING damages for false arrest sufficient to offset the money or goods that were not actually stolen provides a favorite plot for certain types of fiction, but occasionally, unfortunately, also crops up in real life.

Not many months ago a well-dressed, well-spoken chap in his middle thirties purchased a fairly substantial amount of goods at a high-class Canadian jewellery establishment. Cash was given and the order was forwarded to a good local address. Further purchases, all paid for in cash or good cheques, followed, and while the amounts involved were substantial they were no more than would be considered fairly typical of a well-to-do young man furnishing an apartment home for himself.

* * *

AFTER about a year, when the buyer had established himself as one of the firm's best and most reliable customers, he appeared at the store one Saturday at noon, in company with a young lady. The latter was introduced as a future wife and the couple asked to look at engagement rings. After repeated urging the lady selected a diamond ring valued at $1,500.

The man explained to the clerk that he had not sufficient money with him to make the purchase and asked if a cheque would be accepted. The lady desired to wear the valuable piece of jewellery immediately. The manager of the store quickly sanctioned the deal, though by this time the banks had closed and the next Monday was a public holiday. The order was a large one but not more than might be expected of a man who had already purchased liberally over the previous ten or twelve months.

A few minutes later the man appeared in a barber shop across the street and asked if anyone there wanted to buy a $1,500 ring at a bargain. He offered the thing at $500 and told where it had been purchased. The barber became suspicious and while one of the assistants kept the ring owner in conversation he slipped across the road to the jewellery store. After a few minutes talk with the manager, both the latter and a hastily summoned detective visited the barber shop. Sure of their ground they had the man arrested and, lacking sufficient bail, he went to the lockup for the long week-end.

On Tuesday the flustered manager received notification from the bank that the cheque was good. Hastily he made his way to the jail and had the prisoner released. Profuse apologies failed to appease and eventually, to prevent unfavorable publicity, the firm settled with their former customer for $10,000 damages out of court.

* * *

Rent Swindle

OWNERS of small apartment houses in several larger Canadian cities report a new method of swindling them out of rents. Dressed like a bread wagon or dairy driver a man presents himself at an apartment house where a sign indicates that there is space to let. After looking over the rooms he pretends to make a selection.

He then presents what is alleged to be a pay cheque, out of which a month's rent in advance is taken and the remainder, usually a fairly substantial sum, is returned in cash by the landlord. In several cases at least, the cheque has been signed by some bakery or similar concern that does not exist and the landlord is out the money advanced as well as several days or sometimes a month's rent on the apartment.

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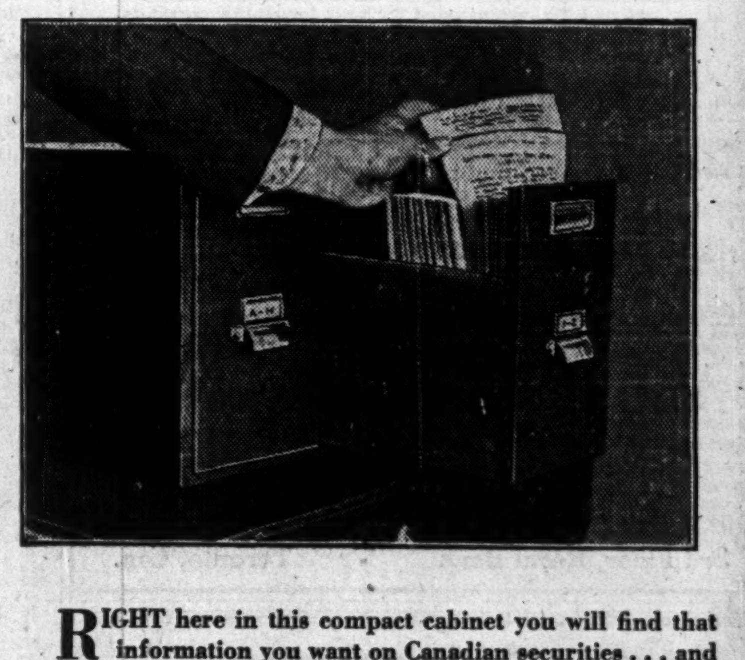

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PATTULLO SEEKING ROYAL COMMISSION FROM DOMINION

Will Urge Study of Economic Status of British Columbia

From Our Own Correspondent

VANCOUVER.—Premier Pattullo is back in Ottawa again for the third time since his election last November, still seeking the necessary federal co-operation to make his promises of a new deal and "work and wages" come true.

This time Mr. Pattullo is going to ask Ottawa for the appointment of a royal commission to enquire into British Columbia's economic status as a provincial unit. He will remind Premier Bennett and the Dominion cabinet of the royal commission which enquired into the condition of the Maritime provinces some years ago, and will emphasize the need of just such an enquiry in the Pacific province.

P. G. E. Also On Deck

And then, of course, as a sort of afterthought, the hoary Pacific Great Eastern white elephant will be trotted out. bespangled as attractively as possible, with the suggestion that the Dominion Government should take over the road at replacement value and operate it as a federal enterprise, eventually into the Peace River country.

During the past few months Mr. Pattullo and his alert young attorney-general, Gordon Sloan, have been consulting many authorities on the negotiations that preceded and followed immediately after Confederation. As a result of these explorations, Mr. Pattullo has concluded that British Columbia never did receive a square deal from Ottawa, but that it is not too late to make amends, even now. He will seek to prove, for instance, that by an erroneous calculation of provincial population, British Columbia lost $6,000,000 which it should have received from Ottawa between the entry into Confederation and 1901.

By the end of the present fiscal year British Columbia's debt to the Dominion Government will be about $17,000,000. If Mr. Pattullo succeeds in his effort to obtain retroactive payment of some of the millions he claims to be owing, the province will be assisted substantially in cancelling out the present acknowledged obligation to Ottawa.

N.R.A. OPPOSITION GROWS STEADILY THROUGHOUT U.S.

(Continued from page 9)

might cause a serious rise in labor expenses in some organizations.

All codes which were pending before the proposed "clean-up plan" must be completed within the time limit or be subject to the provisions of the basic code. It is understood that General Johnson is particularly anxious to have the number of codes as well as recovery administrators reduced. Both have been found to be too large and unmanageable. Every effort is therefore being made to reduce the number of codes, which total 476 at present and cover nearly 90 per cent of the industrial employment sources of the United States. There has been too much code duplication. For example, there have been nine separate pacts for button makers. When this last attempt to get all trades into codes is over, the N.R.A. will probably be administered by a commission, but, of course, it is necessary to secure President Roosevelt's formal approval of General Johnson's recommendations.

The service trades, covered by a previous executive suspension of trade practice provisions, are not included in the new plan. N.R.A. is going to be reorganized in many ways, and will probably return to the original concept of the Recovery Act as concentrating on approximately twenty-five of the largest industries, employing 75 per cent of the workers in the United States. The element of competition is being reintroduced to a large extent through clearing away the network of code provisions designed to keep prices artificially high.

The famous Darrow Report, which was discussed in a previous article in The Financial Post, has had a marked effect on N.R.A. The Federal Trade Commission criticism of the steel code as tending to monopoly and oppression of small enterprises and consumers has also been influential. A three-man Industrial Appeals Board has been created to act upon all complaints of inequitable application of N.R.A. codes and thus serve the purposes recommended by the Darrow Board. It is supposed to protect small business and will be working within the organization, whereas the Darrow board, whose reports irked General Johnson, was an independent body.

To a very large extent the detrimental effects of price fixing provisions of codes have outweighed their advantages. The declaration against price fixing is another major retreat for N.R.A. This change is also a victory for the Darrow board.

Continued Decline Evident In Cheese Export Trade

Export of Canadian cheese in June amounted to 28,943 cwt. valued at $321,184. While this was a considerable advance over the May export of 9,723 cwt. at $119,421 it was much lower than the 40,984 cwt. at $440,212 in June, 1933. The export of Canadian cheese has been decreasing for some time.

During the past twelve months the quantity was 730,915 cwt. valued at $7,995,343 compared with 849,018 cwt. at $8,716,410 in the previous twelve months. In 1926 the export of this commodity was 1,483,335 cwt. of the value of $33,718,587. Great Britain takes the bulk of the Canadian product.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING JULY 30

Range 1933 High	Range 1933 Low	Divd. Rate in $	Y'ld in % July 28		Sales	Close July 23 (or last)	Week Ending July 30 High	Low	Close
				A					
2.50	.90	.	...	Abitibi	2475	1.00	1.05	1.00	1.00
10½	4½	.	...	Do. pref. 6%	....	8	..	..	..
7⅜	4	.	...	Do. cert. dep.	....	4	..	..	..
x80	80	.	...	Acme F. D'y p.	....	..	..	..	..
3	3	.	...	Acme Glove	....	3	..	..	..
25½	25	3.25	...	Do. pref.	10	25	25½	25	25
8½	5⅜	20c	...	Agnew Surp.	70	6½	5⅜	5⅜	5⅜
90	72	7	8.4	Do. pref.	...	80	..	..	..
7	3	.	...	Alta. Pac. Gr.	5	3	3	3	3
23	14½	.	...	Do. pref.	80	.15	.15	.14½	.14⅜
2½	1½	.	...	Amal. Electric	....	1½	..	..	..
15	10	.	...	Do. pref.	....	15	..	..	..
x3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
13½	6⅞	.	...	Asbestos v. t.	117	8	7½	7	7½
13	9½	25c	...	Assoc. Brew.	328	11	11½	10½	11½
93	85	7	7.5	Do. pref.	5	93	93	93	93
4½	4½	.	...	Assoc. Can.	....	4½	..	..	..
				B					
145	134	10	7.4	Bk. Can. Nat.	64	137	135	134	134
203	167	8	4.6	Bk. Montreal	595	192	195	190	192½
278	253	12	4.1	Bk. N. Scotia	101	255	255	253	255
210	161½	10	5.0	Bk. Toronto	273	200½	201	200	200
16⅜	15	50c	3.3	Barcelona	....	15	..	..	..
8½	3	.	...	Bathurst Pr.	135	5	5	4⅜	5
3½	1⅜	.	...	Do. (B)	60	2⅜	2⅜	2⅜	2⅜
1½	1½	.	...	Bawlf Grain	....	1½	..	..	..
13	7	.	...	Do. pref.	10	12	13	13	13
4	2⅜	.	...	Beath & Sons	....	2⅜	..	..	..
10	6½	.	...	Beatty Bros. A	110	8	7½	7½	7½
87	69	6	7.2	Do. pref.	10	85	83½	83½	83½
9⅜	3½	.	...	Beauharnois	937	5⅞	5⅞	5½	5⅜
80	65	4	5.0	Belding Cort.	....	80	..	..	..
102	97	7	6.9	Do. pref.	9	102	102	102	102
120	110	6	5.1	Bell Telephone	360	116½	117½	115	116⅜
12	7½	50c	...	Biltmore Hats	....	10	..	..	..
93	85	7	7.5	Do. pref.	....	93	..	..	..
6	2	.	...	Bissell, T. E.	....	6	..	..	..
29	25	.	...	Do. pref.	5	25	25	25	25
6	4	.	...	Blue Ribbon	105	5	5	4½	4½
32	23	2	6.5	Do. pref.	95	31½	31	30½	30½
26	22	2	8.3	Brant. Cord. pf.	50	26	24⅞	24⅞	24⅞
14⅜	7½	.	...	Brazilian Tr.	13417	8⅜	8½	7½	8
2.95	.65	.	...	Brew. & Distil.	9780	.70	.90	.70	.90
11	5⅜	.	...	Brewing Corp.	13430	8	9½	7⅜	8⅜
32½	15½	.	...	Do. pref.	2526	28½	29	26½	28⅜

Range 1933 High	Range 1933 Low	Divd. Rate in $	Y'ld in % July 28		Sales	Close July 23 (or last)	Week Ending July 30 High	Low	Close
95	70	6	7.6	Huron & E. M.	....	79	..	..	..
15	14	.	...	Do. 20% pd.	....	14	..	..	..
8	4⅜	.	...	Hydro Electric	....	4⅜	..	..	..
				I					
180	141	10	5.7	Imperial Bank	117	171	174	170	174
15	12½	50+15c	4.9	Imperial Oil	14276	14	14½	12⅞	13½
14	10½	52½c	5.0	Imperial Tob.	484	10½	10½	10½	10½
17	14	.	...	Inter. City Bak.	....	17	..	..	..
§5½	5½	4	...	Inter'c Coal	....	5½	..	..	..
100	100	8	8	Do. pref.	....	100	..	..	..
b9½	4⅜		...	Int. Hyd. E. A.	....	5½	..	..	..
110½	99	7	6.4	Inter. Mill. pf.	10	108	110	110	110
99	84	6	6.1	Do. Series A.	....	99	..	..	..
29	21½	10c	...	Inter. Nickel	52345	24½	24	21½	23½
5	3	.	...	Inter. Paints	....	5	..	..	..
b6½	2	.	...	Int. Pa. & P. A	2300	2½	2⅜	2½	2½
b3½	1½	.	...	Do. (B)	1900	1½	1½	1½	1½
b2⅜	1	.	...	Do. (C)	2100	1½	1½	1	1½
b24½	8½	.	...	Do. pref.	10800	12⅜	12⅜	8½	9½
30½	19½	1.56	6.1	Inter. Pete.	14085	26½	26⅜	24½	25½
4	2	.	...	Inter. Power	35	3½	3½	3½	3½
28½	14	.	...	Do. pref.	220	28	28½	28	28½
2½	2½	.	...	Int. State Rlty B	....	2½	..	..	..
6½	3	.	...	Int. Util. (A)	80	3	3	3	3
1.50	.50	.	...	Do. (B)	2420	.65	.65	.50	.55
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
100	97	7	7.0	Do. pref.	2	100	100	100	100
				K					
5½	4½	.	...	Kelvinator	50	4½	4½	4½	4½
95	80	7	7.5	Do. pref.	15	93½	93	93	93
				L					
15	10	.	...	Lake of Woods	310	10	10	10	10
73	56	.	...	Do. pref.	10	66	66	66	66
82	75	6	7.3	Landed Bank.	....	82	..	..	..
*5	1	.	...	Langley's	....	4	..	..	..
63	25	7	12.8	Do. pref.	7	56⅜	54⅜	54⅜	54⅜
59	47½	3	5.6	Laura Secord	30	56½	55	54	54
3½	1½	.	...	Lindsay, C. W.	3	2	2	2	2
40	35	.	...	Do. pref.	....	38	..	..	..
18½	14½	1+.15	6.9	Loblaw (A)	3851	16⅜	16⅜	16	16½
17⅜	13½	1+.15	7.2	Do. pref. (B)	270	16	16	15½	16
				M					
8	5	.	...	MacKin. Steel	....	5	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..

Active Corporation Bonds

(Furnished by Royal Securities Corp., Toronto)
July 31, 1934

Public Utility Issues:	Int. Rate	Due	Bid July 31	Asked July 31	Bid July 28
Beauharnois L. H. & Power	5½%	1973	99	101	99½
Beauharnois Power Corp.	6%	1959	66	...	68
Beauharnois Power Corp.	5%	1973	53	55	55
Bell Telephone	5%	1955	107½	109½	108
Bell Telephone	5%	1957	108	109½	108
B. C. Power	5%	1960	99½	101½	99½
B. C. Power	5½%	1960	102	104	102½
B. C. Telephone	5%	1960	102½	104	102
Calgary Power	5%	1960	96½	99	97
Canada Northern Power	5%	1953	94	96	94½
Cedars Rapids Mfg. & Power	5%	1953	108½	110	109
Dominion Gas & Electric	6½%	1945	57	59	61
Duke-Price Power	6%	1966	92½	95	94
Gatineau Power	5%	1956	92½	94½	94
Gatineau Power	6%A	1941	88	90½	88½
Do.	6%B	1941	87	89½	87½
International Hydro-Electric	6%	1944	50	52½	53½
Jamaica Public Service	5%	1950	98½	100½	98½
Maclaren-Quebec Power	5½%	1961	99	101	99
Manitoba Power	5½%	1951	61	64	62½
Montreal Island Power	5½%	1957	101	103½	101
Montreal L. H. & Power	5%	1951	107½	109	107½
Montreal L. H. & Power	5%	1970	107½	109	107½
Montreal Public Service	5%	1942	104½	106	104½
Montreal Tramways	5%	1955	77	79	77
Montreal Tramways	4½%	1955	70½	72½	71½
Montreal Tramways	5%	1941	99	101	98½
National Light & Power	6%	1949	81½	84½	81
N. B. Power	5%	1937	70	73	71
Northwestern Utilities	7%	1938	101	103	101
N. S. Light & Power	5%	1958	97½	100	97
Ottawa Light, Heat & Power	5%	1957	102½	104	102½
Ottawa Valley Power	5½%	1970	105½	107	105½
Provincial Light & Power	5%	1946	104½	106	104½
Quebec Power	5%	1968	100	102	100
Rio de Janeiro T. L. & Power	5%	1935	101	103	101
Shawinigan Water & Power	6%	1937	100½	102½	101½
Shawinigan Water & Power	4½%	1970	91½	93½	92½
Shawinigan Water & Power	5%	1970	99½	101½	100
Southern Canada Power	5%	1955	104	105½	104
United Securities	5½%	1952	78	80	78
West Kootenay Power	5%	1956	104	105½	103½
Western Power Co.	5%	1949	101½	103½	101½
Winnipeg Electric	5%	1935	93	95½	93½
Winnipeg Electric	6%	1954	50	53	50
Industrial and Realty Issues:					
Abitibi Pulp & Paper	5%	1953	29	31	31½
Abitibi P. & P. C.O.D.'s	5%	1953	...	27	...
Acadia Sugar	6%	1946	101½	103	101
Alberta Pacific Grain	6%	1946	74	77	75
Algoma Steel	5%	1962	14	16	14
American Sales Book	6%	1939	101	...	100
Asbestos Corp.	5%	1942	102	...	102
Atlantic Sugar	5%	1941	95	...	94
Balfour Building	6%	1934	45	...	45
Belding-Corticelli	5%	1936	103	...	103
Bloor-St. George Realty	7%	1946	40	...	40
Booth Buildings	6½%	1937	98	...	98
Brandram-Henderson	6%	1936	90½	...	90½
British American Oil	5%	1945	102⅜	104½	102½
British Columbia Pulp & Paper	6%	1950	67	70	67
Brown Co.	5½%	1946	50	53	54½
Burns & Co.	5½%	1948	49½	52½	34
Canada Biscuit	6½%	1946	19½	22	20
Canada Bread	6%	1941	93½	95½	93
Canada Cement	5½%	1947	94	96	93½
Canada Paper	6%	1945	90	...	90
Canada Steamship	5%	1943	92½	...	93½
Canada Steamship	6%	1941	27	29	29
Canadian Canners	6%	1950	102½	104½	102½
Canadian Consolidated Felt	6%	1940	86	...	86
Canadian Copper Refiners	6%	1945	105½	107½	105½
Canadian Cottons	5%	1940	101	...	101
Canadian Goodrich	7%	1943	47	...	47
Canadian International Paper	6%	1949	64½	67½	66½
C. P. R.	6%	1942	106½	108	107½
C. P. R.	4½%	1944	88	90	90½
C. P. R.	5%	1954	98½	100½	100
Can. Rail & H. Term.	6½%	1951	22	24	21½
Canadian Vickers	6%	1947	50	53	50½
Consolidated Investment	4½%	1959	68	70½	68½
Consolidated Paper	5½%	1961	15	17	16½
Cosmos Imperial Mills	6½%	1944	101	...	101
Debenture & Security	4%	1936	74	...	74
Dominion Canners	6%	1940	106½	...	106
Dominion Square Corp.	6%	1948	52½	55½	54
Dominion Tar	6%	1949	82½	85½	84
Dominion Textile	6%	1949	107½	...	108
Dom. Woollens & Worsteds (with stock)	6%	1948	48	51	50
Donnacona Paper	5½%	1948	42	45	44
Eastern Dairies	6%	1949	71	74	73
Eaton T. Realty	5%	1949	97½	99½	97
Famous Players	6%	1948	90½	93	90½
Famous Players	6½%	1948	73	76	73½
Federal Grain	6%	1949	78	81	78
Firestone Tire	7%	1937	100	...	100
Fraser Companies	6%	1950	42	45	44
French Nat. Mail S.S.	6%	1952	161	...	34
Galt Brass	7½%	1941	35	...	34
General Brock Hotel	6%	1948	30	34	29
General Steel Wares	6%	1952	85½	87½	85
Godfrey Realty	6%	1942	44	...	45
Great Lakes Paper	6%	1950	28½	30½	31
Gypsum Lime & Alabastine	5½%	1948	76	79	77
Hamilton Cotton	5½%	1948	89	...	88½
Hamilton By-Products Coke	7%	1943	101	103½	101
Hinde & Dauch	5½%	1948	89	...	88
International P. & P. Nfld.	5%	1968	93½	...	93½
Inter City Baking	5½%	1948	78	82	79
Lake St. John Power & Paper	6½%	1947	59	61	59½
Lake St. John Power & Paper	6½%	1942	25	28	27
London Can. Inv.	4½%	1948	68	70½	68½
London Realty	6%	1950	79½	82½	75½
Lord Nelson Hotel	4%	1947	60	63	62
Maple Leaf Milling	5½%	1949	32½	34½	35
Massey-Harris	5%	1947	69½	72	69½
McColl-Frontenac	6%	1949	102½	104½	102½
McKinnon Industries	6½%	1945	100½	...	99½
Mercury Mills	5½%	1953	70	73	70
Metropolitan Building	7%	1944	100	...	99½
Minn. & Ont. Paper	6%	1945	18	20	19
Montreal Coke	5½%	1957	101	103	101½
Montreal Cottons	5%	1947	96	...	96½
Montreal Dry Docks	6%	1948	34	...	34
Northern Electric	5%	1939	104	...	104
Northern Ont. Bldg.	6½%	1939	95	98	96
Ontario Building	6½%	1943	38	41	38
Pacific Burt	6½%	1937	100	...	100
Penmans	5½%	1951	105½	107½	105½
Price Bros.	6%	1943	91½	94½	93
Provincial Paper	5½%	1947	94½	97½	95
Queen's Hotel	6%	1947	70	...	70
Reliance Grain	6%	1948	85	...	84½
Restigouche Co.	5½%	1948	77	79½	77
Richmond Bay Bldg.	6½%	1947	84	...	84
Riordon Pulp & Paper	6%	1942	103	...	102½
Ritchie Cut Stone	6½%	1948	74	...	74
Rolland Paper	5½%	1948	96½	98½	96½
Ruddy, E. L.	6½%	1948	73½	76½	73½
St. Lawrence Flour	6%	1941	100	...	100
Shawinigan Cotton	6%	1949	88	...	88
Simpsons Ltd.	6%	1949	98½	100½	98
Smith Howard	5½%	1953	94	96	94½
Steel Co. of Canada	6%	1940	108	109½	108
Stop & Shop	6%	1947	86	89½	87
Toronto Carpet	6%	1944	99½	...	99½
United Amusement	6%	1942	89½	...	89
United Corpns.	5%	1953	68	70½	69
United Gas & Fuel	5½%	1948	87½	...	87½
United Grain Growers	5%	1948	83	...	83
Wabasso Cotton	6%	1947	95½	98½	95½
Wabasso Cotton	7%	1942	96½	99½	97
Windsor Hotel	6½%	1943	71½	74½	72
Woods Mfg.	6%	1943	85	...	85

Dominion and Provincial Bonds

Quotations furnished by A. E. Ames & Co., Toronto
Aug. 1, 1934

Dominion of Canada Bonds

	Rate	Due		Bid	Asked	Approx. Yield
*†Dominion	5	1 Mar.,	1937	106.75	107.25	2.09
†Dominion	5½	1 Dec.,	1937	109.25	109.75	2.42
Dominion	5½	1 Nov.,	1934	100.50	100.75	2.53
Dominion	3½	15 Oct.,	1935	100.75	101.25	2.47
Dominion	4	15 Oct.,	1935	101.75	102.25	2.20
Dominion	5	15 Nov.,	1936	104.75	105.50	2.48
Dominion	4	15 Oct.,	1939	103.25	104.00	3.16
Dominion	4½	1 Sept.,	1940	106.75	107.25	3.18
Dominion	5	15 Nov.,	1941	109.50	110.00	3.44
Dominion	5	15 Oct.,	1943	110.25	110.75	3.62
Dominion	4½	15 Oct.,	1944	106.75	107.25	3.65
§Dominion	4	15 Oct.,	1943-45	103.25	103.75	3.52
Dominion	4½	1 Feb.,	1946	106.75	107.25	3.72
§Dominion	4	15 Oct.,	1947-52	103.00	103.50	3.67
§Dominion	4½	1 Nov.,	1946-56	106.25	106.75	3.82
§Dominion	4½	1 Nov.,	1947-57	106.50	107.00	3.87
§Dominion	4½	1 Nov.,	1948-58	106.50	107.00	3.83
§Dominion (with talons)	4½	1 Nov.,	1949-59	106.75	107.25	3.89
Dominion Guaranteed Bonds						
xCan. Nat. Ry.	4½	1 Sept.,	1951	108.25	109.25	3.77
*Can. Nat. Ry.	4½	1 July,	1957	107.75	108.25	3.95
Can. Nat. Ry.	5	1 Feb.,	1954	112.50	113.00	4.03
xCan. Nat. Ry.	4½	15 June,	1955	111.25	111.75	3.93
xCan. Nat. Ry.	4½	1 Feb.,	1956	108.75	109.50	3.85
xCan. Nat. Ry.	4½	1 Dec.,	1968	105.50	106.25	4.16
§xCan. Nat. Ry.	5	1 Oct.,	1969	113.25	114.00	4.01
§xMontreal Harbor Cm.	5	1 Nov.,	1969	114.25	115.00	3.95
Provincial Government Bonds						
*Alberta	4½	1 Oct.,	1956	93.50	95.00	4.87
Alberta	6	1 Mar.,	1947	104.00	106.00	5.35
*British Col.	4½	1 Oct.,	1953	93.00	94.50	4.94
British Col.	5½	1 Feb.,	1945	100.00	101.00	5.37
British Col.	6	15 Feb.,	1947	102.00	103.00	5.66
xManitoba	5	2 Dec.,	1959	98.00	100.00	5.00
Manitoba	5½	1 Oct.,	1955	102.50	103.50	5.23
Manitoba	6	1 Apr.,	1947	104.50	106.00	5.35
*N. B.	4½	15 Apr.,	1960	106.25	107.25	4.28
N. B.	5	2 July,	1963	111.00	112.50	4.25
N. B.	5½	15 May,	1950	111.50	113.00	4.36
N. Scotia	4½	15 May,	1943	104.25	105.25	3.80
*N. Scotia	5	1 Mar.,	1960	111.00	112.50	4.21
xOntario	4	1 June,	1962	102.00	103.00	3.84
xOntario	4½	1 Sept.,	1944	107.00	108.00	3.57
Ontario	4½	1 June,	1950	106.00	107.00	3.91
xOntario	5	2 Dec.,	1960	115.25	116.00	4.02
Ontario	5½	1 July,	1946	114.00	114.75	3.94
§Ont. H. C.	3½-4-5	1 Oct.,	1952	98.75	99.50	3.82
xOnt. H. C.	4	1 Aug.,	1957	101.50	102.50	3.84
Ont. H. C.	4½	1 Jan.,	1970	110.00	111.50	4.13
Quebec	4½	1 Aug.,	1958	104.00	104.75	3.94
Sask.	5	1 Aug.,	1958	93.50	95.50	5.33
*Sask.	5	1 Nov.,	1959	94.50	96.50	5.25
Sask.	5½	1 Oct.,	1952	98.50	100.50	5.46
Sask.	6	15 Mar.,	1952	101.00	103.00	5.72
Municipal Bonds						
*Calgary	5½	2 June,	1944	91	94	6.32
*Edmonton	5½	1 Nov.,	1945	91	94	6.24
*Halifax	5	1 July,	1961	109	110½	4.33
Hamilton	5	1 May,	1950	108	109½	4.18
Montreal	5	1 Mar.,	1946	102	103½	4.59
Ottawa	4½	1 July,	1945	103½	105	3.93
*Quebec	5	1 June,	1959	103½	105	4.66
Regina	5	1 July,	1944	82	87	6.81
St. John	5	15 Dec.,	1950	106	108	4.32
*Toronto	4½	1 Jan.,	1955	105	107½	3.96
Victoria	5	21 July,	1945	92	96	5.49
Winnipeg	5	1 Mar.,	1944	95	98	5.26

†Tax Exempt Issues. *Payable in Canada and New York. §Yield at call price. xPayable in Canada, New York and London.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)
July 31, 1934

Industrial Stocks:	Bid	Asked
Acadia Sugar com.	3.00	....
Acadia Sugar pfd.	4.50	....
Acme Glove pfd.	20.00	23.00
Allens London pfd. bonus com.	34.50	....
Allens St. Cath. pfd. bonus com.	34.00	....
Allens Toronto pfd. bonus com.	21.50	....
Andian National	36.00	39.00
Atlantic Sug. pfd.	88.00	90.50
B. C. P. & P. pfd.	6.00	9.00
Burns pfd. bon. c	2.00	3.50
Can. Dom. Sugar	47.00	49.00
Can. Mach. com.	1.00	1.50
Can. Packers com.	29.50	32.00
Can. Packers pfd.	98.00	100.00
Can. Starch com.	7.50	....
Can. Starch pfd.	81.00	....
Can. W. & Cable pfd. WW	72.00	75.00
Can. Indust. A	157.00	....
Can. Indust. B	155.00	160.00
Can. Indust. pfd.	139.50	142.00
Can. Westinghouse	43.50	46.00
Chase, pfd. bon. c	24.00	28.00
Claude Neon Gen. Adv. Units	2.00	4.00
Comm. Finance pfd. bonus com.	9.00	....
Copeland Fl. Units	4.50	7.00
Dom. F. & Steel c.	9.00	10.50
Dom. F. & Steel p.	66.00	70.00
Dom. Manuf. pfd.	62.50	....
Dom. Woollens c.	1.40	2.15
Dunlop Tire pfd	72.00	75.00
East. Dairies pfd.	12.50	15.50
Federal Grain c.	1.75	3.00
Federal Grain p.	15.00	17.50
For. Power Sec. p.	12.50	15.00
Freiman, A. J. pf.	57.50	61.50
Gen. Stl. Wares p.	36.50	38.00
Goderich Elevator	6.25	7.75
Greening Wire pf.	68.00	72.00
Guardian Realty p.	11.50	....
Guelph Carpet pf.	80.00	83.00
Guelph Carpet c.	10.50	13.00
Harding Carpets Units	30.00	....
Hayes Wheels pfd.	8.00	12.00
Highland Dairy c.	3.75	4.65
Highland Dairy p.	66.00	....
Inter City Bak. c.	16.00	18.50
Inter. Paints pfd.	15.50	18.00
Inter. Propriet. A	34.25	35.50
Loew's Lond. pfd.	3.80	4.20
MacLaren Pwr. c.	16.50	19.00
Mansf. Theat. pfd.	22.00	26.50
Massey-Harris pfd.	18.50	20.00
Mt. Royal Hotel p.	2.15	3.00
Nat. Grocers com.	4.00	4.50
New Meth. Laund. pfd. bonus	48.50	....
Niag. W. Weav. pf	36.00	....
Para. Kitchener p.	34.50	....
Para. Oshawa pfd.	41.50	....
Prov. Paper pfd.	81.00	83.00
Rel. Grain pfd	53.00	57.00
Rob. Cons. Cone	7.50	8.75
Rolland Paper c.	25.00	....
Rolland Paper pfd. WW	75.00	78.50
Ruddy pfd.	16.50	....
Serv. Stat. pfd	38.00	43.50
Stand. Fuel pfd. bonus	90.50	....
Supersilk pfd.	57.00	60.00
Supertest Pet. B p.	23.00	25.00
Thayers Ltd com.	7.00	8.00
Thayers Ltd. pfd.	40.00	41.00
United Corpns. A	9.75	12.50
United Corpns B	2.75	4.00
West. Grain pfd. bonus	4.25	6.50
Wood, A. & James pfd.	23.00	28.50

Insurance Stocks:	Bid	Asked
Brit. Amer.	38.50	....
Canada Life	435.00	....
Canadian Fire	50.50	60.00
Confed. Life 20% pd.	124.00	130.00
Cont. Life 20% pd.	35.00	38.00
Crown Life	102.00%	....
Dominion Fire	91.00	....
Dominion Life 50% pd.	165.00	....
Dom. of Can. Gen.	98.00	103.00
Empire Life 25% pd.	9.50	11.50
Excelsior Life 30% pd.	72.50	78.00
Fed. Fire 25% pd.	35.00	....
Great W. Life	335.00	....
Guar. Co. of N. A. fully pd.	210.00	....
Guar. Co. of N. A. 20% pd.	41.00	....
Imperial Life	280.00	....
Manuf. Life	221.00	226.00
Monarch Life 10% pd.	17.00	20.50
Nat. Life 25% pd.	45.00	55.00
Sov. Life 25% pd.	13.00	18.00
Sun Life	360.00	385.00
Traders Finance A pfd.	43.00	....
Western Assur. c.	30.00	34.00
Western Assur. p.	32.50	....
Western Life 20% pd.	9.00	11.50
Trust & Loan Stocks:		
Brit. Mtge. & Tr.	130.00	140.00
Chartered Trust	65.00	69.00
Lond. & West. Tr	35.00	40.00
Premier Trust	88.50	94.00
Sec. Loan & Sav.	102.00	....
Sterling Trust	....	45.00
Trusts & Guar.	38.00	44.00
Vic. Tr. & Sav.	121.00	130.00
Waterloo Tr. & S.	82.00	....
Investment Trust Shares:		
Can. Gen. Invest.	5.00	5.30
Can. Int. Inv. Tr. Units	19.00	21.50
Can. Invest. Fund	3.10	3.30
Cons. Div. Standard Sec. pfd.	11.75	14.00
Debent. & Sec. c.	5.25	....
Debent. & Sec. p.	21.00	....
Dom. & Anglo Invest. Units	190.00	....
Dom. Scottish Invest. Units	22.00	26.50
Invest. Foundation Units	35.00	38.50
Sec. Holding Units	10.00	12.50
Power Issues:		
Calgary Power pf.	86.00	88.50
Can. L. & P. com.	19.00	22.00
Can. W. Nat. Gas pfd.	92.00	94.50
Great Lakes Power pfd.	40.00	....
Marit. T. & T. pfd.	12.50	13.50
N. B. Tel. com.	9.75	10.75
N. S. L. & P. com.	40.00	....
N. S. L. & P. pfd	87.00	....

Recent London Quotations:

Brit. Col. Tele. pfd.	$100
Brew. & Distillers	3s. 3d.
Can. & For. Secs.	5s. 6d.
Can. Collier A inc. stk.	38
Do., B	7½
Can. N. W. Land	$1½
Can. West. Lumber	2s. 0d.
Hudson's Bay	25s. 0d.
Do., pref.	105s.
International Holdings	$1½
Nfld. Pr. & Pap. deb. stk. B 5½%	108
Trust & Loan (15s. pd.)	3d.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Agnew-Surpass	...	20c	Sept. 1	Aug. 15
Do., pref.	7%	1¾%	Oct. 1	Sept. 15
Buffalo Ankerite Gold	10c	5c	Aug. 15	Aug. 1
Bank of Montreal	8%	2%	Sept. 1	July 31
Bank Nationale	8%	2%	Sept. 1	Aug. 15
Bank of Toronto	10%	2½%	Sept. 1	Aug. 15
Bonded Corp. Tr. Cert.	$1.20	10c	Aug. 1	July 25
Do., extra	...	10c	Sept. 1	Aug. 28
Beatty Bros., 1st pfd.	$6	$1.50	Aug. 1	July 14
Belding-Corticelli, c.	$4	$1	Aug. 1	July 16
B. C. Telephone, 2nd pfd.	$6	$1.50	Aug. 1	July 17
Blue Ribbon, pfd.	$2	50c	Aug. 1	July 28
Canadian Hydro-Elec., pfd.	6%	1½%	Sept. 1	Aug. 1
Can. Converters	$2	50c	Aug. 15	July 31
Canada Southern Railway	$3	$1.50	Aug. 1	June 29
Can. Bronze	60c	15c	Aug. 1	July 20
Do., pref.	$7	$1.75	Aug. 1	July 20
Can. Dredge & Dock, pref.	7%	1¾%	Aug. 1	July 20
Calgary Power, pfd.	6%	1½%	Aug. 1	July 14
Canadian Bank of Commerce	8%	2%	Sept. 1	July 31
Canadian Inv. Funds	...	3½c	Aug. 1	July 16
Canadian Oil Cos.	50c	12½c	Aug. 15	Aug. 1
Cosmos Imp. Mills, pfd.	$3.50	87½c	Aug. 15	July 31
Do., arrears	....	87½c	Aug. 15	July 28
Champlain Oil Prod., com.	....	10c	Aug. 15	July 31
Do., pref.	60c	15c	Aug. 15	July 31
Dominion Bridge	$2	50c	Aug. 15	July 31
Do.,	$2	50c	Nov. 15	Oct. 31
Guelph Carpet, pref.	6½%	1⅝%	Aug. 1	July 20
Hollinger Cons. G. M.	65c	5c	Aug. 13	July 27
Do., extra	...	5c	Aug. 13	July 27
Hydro-Elec. Secs.	50c	25c	Aug. 1	July 19
Imperial Bank	$10	$2.50	Aug. 1	June 30
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 3
Inter. Utilities, pfd.	$3.50	87½c	Aug. 1	July 20
Do., pfd.	$1.75	43¾c	Aug. 1	July 20
Langley's, pref.	7%	*1¾%	Aug. 15	July 31
Loblaw Grocet. "A" & "B"	$1	25c	Sept. 1	Aug. 14
McColl-Frontenac, com.	80c	20c	Sept. 15	Aug. 15
McIntyre-Porc. Mines	$2	50c	Sept. 1	Aug. 1
Model Oils		3c	Aug. 18	July 28
Mort. Corp. of N. S.	$7	$1.75	Aug. 1	July 24
National Biscuit, pfd.	$7	$1.75	Aug. 31	Aug. 17
Nipissing Mines	...	12½c	Aug. 15	Aug. 1
Neon Prod. of West. Can. pfd.	$3	75c	Aug. 1	July 16
Northwest Inv. & Holding. pfd.	$6	$1.50	Aug. 1	July 23
Penmans	$3	75c	Aug. 15	Aug. 6
Do., pref.	6%	1½%	Aug. 1	July 21
Photo Engravers, c.	$1	50c	Sept. 1	Aug. 15
Quebec Power	$1	25c	Aug. 15	July 23
Rolland Paper pf.	$6	$1.50	Sept. 1	Aug. 15
Russell Motor, pref.	$4	$1	Aug. 1	July 20
Royal Bank	8%	2%	Sept. 1	July 31
Shawinigan W. & Power	50c	12c	Aug. 15	July 25
Sherbrooke Trust, c.	$6	$1.50	Aug. 1	July 16
Second Standard Royalties pfd.	12%	1%	Aug. 1	July 25
Steel of Canada	$1.20	30c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
Southern Canada Power	80c	20c	Aug. 15	July 31
St. Lawrence Flour	$1.50	37½c	Aug. 1	July 20
Do., pref.	$7	$1.75	Aug. 1	July 20
Simpsons, pref.	...	$1	Aug. 1	July 21
Teck-Hughes	60c	15c	Aug. 1	July 11
Thayers Ltd.	...	25c	Sept. 1	Aug. 13
Toburn Gold M.	8c	2c	Aug. 22	July 28
Westons, pref.	7%	1¾%	Aug. 1	July 20

* For quarter ending Oct. 31, 1932.

Dividend Rate Increased—
McIntyre Porcupine Mines, $1 to $2 per annum Sept. 1.

Dividends Resumed—
Photo Engravers 50c. Sept. 1. Last paid June 1, 1932.

Initial Payment—
Champlain Oil Products, common, 10c.

Winnipeg Stock Exchange

(Transactions from July 19 to July 27)

Div. rate in $	Yield in %		Sales	High for period	Low for period	Close July 27
..	..	Bailor Gold	300	.28	.28	.28
..	..	Central Man.	4,180	.10	.10	.10
..	..	El Bonanza	100	.17	.17	.17
..	..	Forty-four Gold	20	16.50	15.00	15.00
..	..	Gabrielle	2,200	.81	.71	.71
..	..	Goldflake	700	.75	.70	.75
..	..	Grouped Income	100	3.60	3.60	3.60
..	..	Gunnar Gold	2,400	1.94	1.60	1.70
..	..	Island Lake	6,750	.10½	.09½	.10½
..	..	Long Lac Adair	23,550	.46	.38	.44
..	..	Mosher Gold	600	.29	.26	.29
..	..	Normandy	211	9.00	6.75	7.00
..	..	Oro Grande	1,600	.10	.09½	.10
..	..	Oxford Mines	30	2.00	2.00	2.00
..	..	Roymaster	700	.23	.23	.23
..	..	Rice Lake	300	.44	.44	.44
..	..	Red Lake Units	59	35.00	30.00	30.50
..	..	Scotia Gold	8,100	.35	.34	.34
..	..	Timagami Units	4	10.00	10.00	10.00
..	..	United Grain Gr.	18	10.00	9.25	9.25
..	..	Vanson Gold	5,000	.25	.25	.25
..	..	Wells Long Lac	2,650	.35	.33	.33
..	..	Wingold	32,250	.50	.46	.47

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Pelissiers, c.	½	..
Beaver Lumber, pf.		63	Pelissiers, pref.	..	23
Can. Fire Ins.	50	..	Sov. Life 25% pd.	..	17
Crescent Cream pf.	25	..	Traders' Bldg.	..	65
Federal Grain pref.	15	17	Can. Amer. Tr. sh.	2.60	3.00
Home Investment	20	..	Can. Inv. Fund	..	3.35
Monarch Life 10% pd.	..	20½	Fundamental Ser. A	..	4⅜
			Fundamental Ser. B	3⅜	..

*Stocks more active on other exchanges not included.

Listed Bond Quotations

Week Ending July 30, 1934

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1934 High	Range 1934 Low
Mtl. L.H. & P. debs.	3	1939	3.95	..	46½	46½	47½	43
Mtl. Trams. D.	5	1955	7.07	..	77½	77½	77½	74⅜
Nat'l Serv.	5	1941	3.4	..	109⅜	109⅜	109⅜	109⅜
Victory	5½	1937	2.1	..	109.75	109.75	109.75	109.75

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Bank Chat on Current Topics

Mr. Norman Interviewed

MONTAGU NORMAN, governor of the Bank of England, submitted to questioning by financial writers at the Federal Reserve Bank of New York when he arrived recently in the American metropolis on his way to Maine where he will spend a short vacation.

Everything that Mr. Norman told the financial journalists was "off the record." Mr. Norman apparently discussed the world financial situation at some length. He is reported to have appeared not to be too pessimistic on the chances of world recovery in the reasonably near future and was inclined to view the European situation as not quite as black as it had been painted.

However, this discussion took place before Chancellor Englebert Dollfuss of Austria had been painted or "rubbed" out of the European picture.

* * *

Rewards and Hold-ups

MEMBERS of the staff of the Toronto Union Stockyards branch of the Bank of Montreal spent an uncomfortable 10 minutes lying on the floor of the bank on July 26, when robbers held up the branch and stole some $25,000 in cash. This is one of the largest bank robberies in Canada for some time. The branch had an unusually large sum in cash received from cattle buyers, it is reported.

The Canadian Bankers Association published large advertisements following the robbery advertising its rewards for information leading to arrest and conviction of bank robbers. While the "ads." were in the same form as the cards displayed in branch offices of banks, the information is brought up to date with the statement that $110,000 in rewards has been paid in connection with bank hold-ups and robberies since January, 1924.

The advertisement read as follows:

REWARDS

The Canadian Bankers Association has since January, 1924, paid a sum in excess of $110,000 in rewards in connection with bank hold-ups and robberies.

An offer of reward is made for the arrest and conviction, or for information leading to the arrest and conviction, of any person or persons who by hold-up of, or by violence or threat of violence to, bank officers or employees, or by breaking and entering, have robbed or attempted to rob since January 1, 1931, or who may hereafter rob or attempt to rob, a branch of office of any chartered bank in Canada.

The Association reserves the right to approve or reject any claim and to determine the amount to be paid in respect of any and all claims.

All claims for rewards must be made in writing to the secretary of The Canadian Bankers Association, Montreal, within one month after the date of conviction.

Dated at Montreal, July 27, 1934.

This offer applies to the hold-up of the Bank of Montreal, Stock Yards branch, Toronto, July 26, 1934. Any information may be given to the superintendent, Bank of Montreal, 4 Wellington St. East, Toronto.

* * *

Ontario Savings Offices

PREMIER MITCHELL HEPBURN of Ontario has announced definitely that his government has no intention of closing the provincial savings offices, which were established by the Drury government about 15 years ago to collect funds primarily to invest in Ontario farm mortgages. There are many branches of the system scattered throughout Ontario. The system is still moderately popular with depositors but has never enjoyed the success of banks in gathering deposits. Practically all money received is invested in Ontario farm mortgages held by the Agricultural Development Board. Originally the rate of interest on deposits was four per cent but was later reduced to three and last May to 2½ or the same as that allowed by the chartered banks.

* * *

Staff Changes

Bank of Montreal announces the following staff changes:

W. T. DOUGLAS, formerly manager at Teeswater, Ont., to be manager at Orillia, Ont.

J. L. CAINS, formerly at head office to be manager at Cowansville, Que.

Announce One Opening and Two Branch Closings

Opening of one branch bank and the closing of two branches is announced in the bank directory for June, 1934. The Bank of Montreal opened its new branch at Bralorne, B.C. on July 4.

The two closing were one by the Imperial Bank at Michel, B.C. and closing of the Cote St. Paul branch, Montreal, by the Royal Bank on May 31.

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter, 1727)
Capital (fully paid) £ 3,780,192
Reserve Fund ..... £ 3,780,926
Deposits £59,257,330
General Manager
William Whyte
TRADE WITH GREAT BRITAIN
The ramifications of the Bank throughout Great Britain and the entire World enable it to handle every description of British, Colonial and Foreign Banking business.
LONDON — City Office:
3 Bishopsgate, E. C. 2
Head Office:
EDINBURGH
252 BRANCHES IN ALL
Associated Bank:
Williams Deacon's Bank Ltd.
(Members of the London Bankers' Clearing House)

Current Events in Banking World

Bank Statement for June Reflects Holiday Week End

Increase in Circulation and Lower Inter-bank Accounts Probable Factors in Decrease of Deposits

Changes in the combined condition statement of the ten chartered banks at June 30 indicate the dual influence of the coinciding of the month end and the Dominion Day holiday. Note circulation increased $14,183,511 compared with May 31, which was a Thursday, but was only $3,789,598 higher than at June 30, 1933.

The major change was a decrease of $46,681,934 in demand deposits and of $2,516,902 in savings deposits, a total decrease of $49,198,886 in the month. Where did the money go? The increase in circulation may indicate conversion of deposits into cash for the July 2 week-end. Some of it may have disappeared with the decrease of $19,767,977 in inter-bank balances. And reduction of current loans in Canada by $12,113,678, provincial loans by $4,324,661 and municipal loans by $2,173,778 probably absorbed a share of the decrease.

Less Stock Activity

Lessened activity in the stock markets of the Dominion may have been a factor in reducing the inter-bank balances. Inactivity may have brought about a more complete clearing of outstanding cheques than in May

The Financial Post index of bank credit rose to 51.7 in June from 51.4 per cent in May, which was the lowest for over 10 years. The index is a percentage of current and call loans in Canada to total deposits. The increase is entirely due to the greater proportionate decrease of deposits than loans. The significance may not be very great because of the probable temporary nature of the reduction of deposits.

	June, 1934	May, 1934	Change	June, 1933	Change
	$	$	$	$	$
ASSETS					
Immediately Available Liquid Resources					
Specie	47,915,467	49,162,931	—1,247,464	50,948,517	—3,033,050
Dom. notes	125,424,636	130,674,227	—5,249,591	138,058,520	—12,633,884
Gold reserve	20,881,732	16,631,732	+4,250,000	21,181,732	—300,000
Foreign banks	85,617,808	83,580,295	+2,037,513	82,947,182	+2,670,626
Foreign curr.	18,944,201	20,494,943	—1,550,742	21,584,987	—2,640,786
Govt. secs.	654,489,436	646,060,592	+8,428,844	638,665,556	+15,823,880
Call loans ab'd.	125,176,178	121,722,901	+3,453,277	99,894,097	+25,282,081
	1,078,449,458	1,068,327,621	+10,121,837	1,053,280,591	+25,168,867
Loans and Securities Other Than Those of Canadian Government					
Public secs.	138,914,601	140,996,554	—2,081,853	165,915,260	—27,000,659
Railway secs.	43,703,709	43,006,515	+697,194	55,573,524	—11,869,815
*Can. call loans	98,790,594	103,409,514	—4,618,920	101,518,053	+2,727,459
*Current loans	862,302,612	874,716,290	—12,113,678	899,782,928	—37,180,316
Loans abroad	146,141,487	136,372,088	+7,769,399	152,772,212	—6,630,725
Prov. loans	26,858,496	31,183,157	—4,324,661	21,660,790	+5,197,106
Mun. loans	128,946,506	131,120,284	—2,173,778	135,218,549	—6,272,043
	1,445,658,005	1,462,804,402	—17,146,397	1,532,441,316	—86,783,311
Other Assets					
Non-curr. loans	13,947,999	13,857,028	+90,971	14,259,354	—311,355
Real estate	7,710,951	7,676,361	+34,590	7,890,107	—179,516
Mortgages	6,035,505	6,066,382	—30,877	6,301,346	—265,841
Premises	78,085,397	78,264,386	—178,989	78,826,979	—741,582
Lets. of credit	52,586,547	50,975,045	+1,611,502	45,537,597	+7,048,950
Loans to comp.	13,345,999	13,410,527	—64,528	13,358,478	—12,479
Other assets	1,945,720	2,007,819	—62,099	1,567,217	+318,503
	173,658,718	172,257,548	+1,400,570	167,741,078	+5,917,040
Total	2,693,765,581	2,703,389,571	—9,623,990	2,753,462,985	—59,697,404
Note circ. dep.	6,588,796	6,516,039	+72,757	6,774,117	—185,321
Int. bank bal.	110,535,161	130,303,138	—19,767,977	129,228,816	—18,693,655
Gross	3,814,889,538	2,840,208,748	—25,319,210	2,889,465,918	—74,576,380
LIABILITIES					
To the Public					
Circulation	141,531,638	127,348,127	+14,183,511	137,742,040	+3,789,598
Dom. Govt.	36,291,531	31,899,315	+4,392,216	13,038,028	+23,253,503
Prov. Govt.	35,205,462	32,132,068	+3,073,394	22,233,121	+12,972,341
Govt. advances	37,944,000	38,444,000	—500,000	51,944,000	—14,000,000
Deposits by Public					
Demand dep.	485,846,450	532,528,431	—46,681,984	535,048,009	—49,201,559
Savings dep.	1,364,998,798	1,367,515,700	—2,516,902	1,386,930,428	—21,931,630
*Total	1,850,845,248	1,900,044,134	—49,198,886	1,921,978,437	—71,133,189
Foreign dep.	329,509,947	323,089,925	+6,400,022	324,920,903	+4,589,044
Due to Banks Abroad, Etc.					
United Kingdom	4,760,927	5,261,791	—500,864	5,226,829	—465,902
Foreign	23,277,473	24,591,081	—1,313,608	32,346,757	—9,069,284
Bills payable	701,243	813,594	—112,351	571,980	—241,614
Lets. of credit	52,586,547	50,975,045	+1,611,502	45,537,597	+7,048,950
Other liabs.	2,296,220	2,401,443	—105,223	2,204,066	+92,154
Total public liab.	2,514,948,238	2,537,000,523	—22,052,285	2,557,743,758	—42,795,520
Due bet. banks	11,825,979	15,304,639	—3,478,660	14,984,627	—3,158,684
Liability to Shareholders					
Dividends	616,780	2,446,759	—1,829,979	650,802	—34,022
Reserve	132,500,000	132,500,000	....	162,000,000	—29,500,000
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,804,390,997	2,831,751,921	—27,360,924	2,879,879,187	—75,488,190
Credit index*	51.7%	51.4%	....	52.1%	....

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Foreign Exchange Markets

WHETHER by accident or design, the pound sterling and the Canadian dollar are coming closer together in terms of gold. The pound has now entered its seasonal period of weakness, but is still well above its old par, $4.8665.

A feature of the American situation worthy of the attention of students of foreign exchange is that the United States still maintains a substantial net credit balance of foreign payments. These are being financed by short term credits. Formerly long term loans took care of the net credits. Until some practical method of effecting payments to the United States is devised, there may be potential exchange disturbances in the credits that the United States is persistently creating. Despite devaluation, the United States remains the world's greatest magnet for gold. This is considered of particular importance because it may be a barrier to resumption of stabilized currencies.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	July 24	July 25	July 26	July 27	July 28	July 30
U. S. dollar, High	.5906	.98 5/16	.98 3/16	.98½	.98 11/32	.98⅜	.98 5/32
Low	.5906	.98⅛	.98 1/16	.98 11/32	.98 5/32	.98 5/32	.98¼
1933 High	1.000	1.05 5/16	1.05 1/16	1.07½	1.08	1.07 11/16	.....
Low	1.000	1.04⅞	1.04¾	1.05½	1.07¼	1.07¼	.....
U. K. pound	4.8665	4.97	4.96⅜	4.95⅞	4.95½	4.95¼	4.95
Argentina	.9648	.2476	.2487	.2499	.2521	.2548	.2544
Australia	4.8665	3.9548	3.9493	3.9414	....	3.9423	3.9388
Austria	.1407	.1870	.1870	.1869	.1877	.1877	.1878
Belgium	.1392	.2303	.2304	.2302	.2304	.2308	.2305
Brazil	.1963	.0640	.0640	.0640	.0639	.0642	.0642
Czechoslovakia	.0296	.0409¼	.0409¾	.0409¼	.0409	.0409	.0409
Denmark	.2680	.2222	.2221	.2214	.2212	.2215	.2214
France	.0392	.0650	.0649	.0649	.0648	.0649	.0648
Germany	.2382	.3825	.3792	.3797	.3778	.3807	.3804
Greece	.013	.0093⅜	.0093⅜	.0093⅜	.0093¼	.0093¼	.0093⅛
Holland	.4020	.6672	.6668	.6659	.6651	.6650	.6646
Hungary	.1749	.2931	.2930	.2930	.2927	.2927	.2925
India	.3650	.3774	.3772	.3772	.3738	.3763	.0336
Italy	.0526	.0846	.0845½	.0843	.0843	.0844	.0843
Japan	.4985	.2946	.3947	.2944	.2946	.2947	.2944
Jugoslavia	.1929	.0025	.0228	.0225½	.0225	.0224	.0224
New Zealand	4.8665	3.9706	3.9651	3.9572	....	3.9581	3.9546
Norway	.2680	.2498	.2497	.2492	.2490	.2492	.2490
Poland	.1122	....	.1870	....	.1867	....	.1866
South Africa	4.8666	4.9613	4.9545	4.9447	4.9445	4.9458	4.9414
Spain	.1929	.1346	.1346	.1345	.1344	.1344	.1343
Sweden	.2680	.2565	.2564	.2556	.2555	.2556	.2555
Switzerland	.1930	.3216	.3212	.3211	.3209	.3210	.3207
Hong Kong	.5422	.3711	.3698	.3703	.3694	.3689	.3692

17 P.C. INCREASE FOR BANK DEBITS FIRST 6 MONTHS

Higher Prices, Economic Expansion Expand Cheque Total

Owing to economic expansion and higher prices, bank debits in the 32 clearing centres of Canada showed a gain of 17 per cent in the first half of 1934 over the same period of 1933, according to the Dominion Bureau of Statistics. The total was $15,443,000,000 compared with $13,195,000,000 in the first six months of 1933. Gains were indicated in each month from January to May as compared with the corresponding months of last year. Each of the economic areas realized a gain in the half-year comparison, and only three of the 32 centres failed to record an increase over the same period of 1933.

Seventeen of the 32 clearing centres showed gains in June over the same month of 1933, but there were declines in the four chief cities and the grand total for the month was $2,602,000,000 as compared with $2,982,000,000 in June, 1933. The total for the Maritime provinces indicated a gain of 6.2 per cent, as increases were recorded in Saint John and Moncton. A decline of 10.8 per cent was shown in Quebec.

Six Months' Comparison

The total for the Maritime provinces in the six month period moved up from $226,000,000 to $249,000,000, a gain of more than 10 per cent. The Quebec total advanced about 19 per cent. Debits in Ontario in the first half of 1934 were $7,139,000,000, showing a gain of $1,285,000,000 or nearly 22 per cent. The net result for the Prairie provinces was a gain of $115,800,000 or 4.5 per cent. British Columbia showed gains, the total for the province being up $93,800,000 or 13.4 per cent.

Comparison with May

Owing mainly to the low level of speculative trading in June, bank debits showed a decline of 9.5 per cent from May after seasonal adjustments. British Columbia was the only one of the five economic areas to indicate a gain in this comparison.

The seasonally adjusted decline in the Maritimes was 2.2 per cent. Quebec was down .4 per cent. Debits in Ontario were $1,116,000,000 in June compared with $1,331,000,000 in May, the decline after seasonal adjustment being 10.3 per cent. The decline in the Prairie provinces was 24.9 per cent. The gain in British Columbia was 0.8 per cent.

Table of Cities

Comparison of June, 1934, with June, 1933, by clearing centres follows:

Debits to Individual Accounts

	June, 1934	June, 1933
	$	$
Maritimes:		
Halifax	21,651,682	21,454,052
Moncton	7,524,931	5,975,495
Saint John	13,455,952	12,657,811
Total—Maritimes	42,622,565	40,087,358
Quebec:		
Montreal	723,491,440	824,986,235
Quebec	55,688,881	49,200,342
Sherbrooke	7,209,906	7,058,008
Total—Quebec	786,390,227	881,244,585
Ontario:		
Brantford	7,448,559	7,091,080
Chatham	6,039,380	5,790,849
Fort William	4,618,117	4,237,834
Hamilton	47,221,114	46,925,713
Kingston	4,140,992	4,820,289
Kitchener	9,278,427	9,369,827
London	31,820,545	29,915,298
Ottawa	116,966,634	148,667,596
Peterborough	4,817,232	4,454,863
Sarnia	8,666,450	7,106,030
Sudbury	4,358,319	4,264,908
Toronto	851,278,417	1,075,290,973
Windsor	19,415,206	17,246,075
Total—Ontario	1,116,069,392	1,365,181,335
Prairies:		
Brandon	2,400,336	2,234,553
Calgary	46,824,618	55,415,220
Edmonton	29,777,880	34,472,109
Lethbridge	3,354,279	3,028,205
Medicine Hat	1,786,394	1,844,707
Moose Jaw	3,932,646	3,988,481
Prince Albert	1,894,173	1,580,915
Regina	29,867,665	30,831,770
Saskatoon	7,734,492	7,929,286
Winnipeg	400,274,210	410,990,214
Total—Prairies	527,846,693	552,315,570
British Columbia:		
New Westm'ster	4,236,143	4,051,478
Vancouver	105,323,788	119,202,246
Victoria	19,636,743	20,335,008
Total—B. C.	129,196,674	143,588,732
Grand total	2,602,125,551	2,982,417,580

New Branch in Ottawa for Bank of Nova Scotia

The Bank of Nova Scotia has let a contract for $13,000 to Alex. R. Garbock, for the erection of a branch building on Bank Street near Belmont in Ottawa. It is to be a one-storey brick and concrete building. Chadwick and Chadwick, Toronto, are the architects.

Oriental Lumber Market

Heavy shipments of lumber to Japan and China during June were largely accountable for the excellent showing of exports from the British Columbia ports that month.

Elected President

HERBERT BEGG

Who was recently elected president of the Wellington Fire Insurance Co., of which he was formerly managing director. Mr. Begg is president of Shaw & Begg, Inc., Toronto, Canadian managers of several United States insurance companies.

LOSS IN ONTARIO FROM BARN FIRES SHOWS REDUCTION

But Other Losses Gain Over First Half of 1933

Barn fires, losses from which take a heavy annual toll on Canadian national income, were considerably reduced in Ontario during the first six months of 1934 as compared with the same period of the previous year, according to the June report of the Ontario Fire Marshal. The reduction of 25 per cent in number and 50 per cent in amount of loss is encouraging to fire underwriters who have been working for better protection for this type of risk.

Many Dwelling Fires

The heavy volume of small fire loss claims as a result of fires in dwellings continues to be a source of worry to fire underwriters. During the first half of 1934, the average claim arising from dwelling fires was $260. With the elimination of a small number of fairly large losses, this average would be considerably reduced.

Losses in the first half of 1934, classified according to type of risk, are shown in the following table:

Fire Losses by Leading Risks First Six Months

	Number 1934	Number 1933	Losses 1934	Losses 1933
			$	$
Barns	178	243	314,020	545,911
Dwellings	6,721	6,495	1,750,060	1,621,289
Stores	692	612	1,135,129	1,061,544
Factories	224	195	1,130,526	873,652
Total Loss	8,704	8,256	5,795,129	5,259,580
Insur. Loss	...	...	4,852,860	4,671,994

Many Lumber Losses

Saw mill and lumber fires continue to dominate the list of large fires, three saw mills and one lumber pile being included in the thirteen fires in Ontario in which losses were greater than $60,000. Those leading fires were:

Large Fire Losses First 6 Mos., 1934

Location	Type of Building	Approx. Loss
London	Flour mill	$157,218
Parry Sound	Saw mill	127,453
Ottawa	Dwelling	124,222
Toronto	Mattress factory	97,406
Gogoma	Lumber pile	95,855
Toronto	Auto garage	79,493
Toronto	Stores	77,142
Sarnia	Stores	68,481
Toronto	Apt. house	67,140
Foleyet	Saw mill	64,000
St. Jacobs	Shoe factory	62,163
Goward	Saw mill	60,936
Winger	Gas tank	60,000

June Losses

Losses in June in Ontario amounted to $850,274 from 1,083 fires a slight reduction in both number and amount from June a year ago when the totals were 1,189 and $896,726.

Weekly Bank Clearings

	July 26, 1934	Change year ago	July 19, 1934
	$	%	$
Halifax	1,986,017	—47.5	2,297,494
Saint John	1,645,000	+11.0	1,742,509
Moncton	761,899	—11.9	719,009
Sherbrooke	499,683	—17.6	562,021
Quebec	3,504,422	— 6.4	4,360,301
Montreal	78,033,333	—25.4	87,719,999
Ottawa	3,561,800	— 6.6	4,327,970
Kingston	483,522	—13.2	520,405
Peterborough	563,336	— 7.2	670,875
Toronto	98,515,233	—25.0	99,821,755
Hamilton	3,400,949	—10.1	3,480,990
Kitchener	841,398	— 6.5	993,600
Brantford	623,274	—17.3	791,469
London	2,231,712	— 3.1	2,217,480
Chatham	......	...	394,032
Windsor	1,851,589	—36.0	2,017,972
Sarnia	369,598	—18.6	416,870
Sudbury	697,603	+12.2	719,146
Fort William	607,538	+16.3	625,248
Winnipeg	66,371,963	—56.1	65,700,160
Brandon	294,103	— 0.9	326,170
Regina	2,604,931	+ 8.1	3,147,115
Moose Jaw	348,028	—16.7	449,923
Saskatoon	1,111,972	+ 5.0	1,229,028
Pr. Albert	246,889	+ 8.0	286,776
Edmonton	3,142,794	+ 3.0	3,306,168
Calgary	4,725,455	—27.8	5,391,010
Medicine Hat	166,264	—15.1	281,547
Lethbridge	......	...	352,666
N. W'minster	580,148	+30.5	434,518
Vancouver	14,891,525	— 8.8	15,053,910
Victoria	1,339,671	— 9.0	1,403,910

Insurance for Buyer and Seller

B. C. GOVERNMENT PREPARES SCHEME HEALTH INSURANCE

Considers Three Plans — Favors British System

From Our Own Correspondent

VANCOUVER.—British Columbia officials are now drafting a system of health insurance that will probably be made effective next year. S. H. Pipe, Toronto actuary, is assisting the Government in preparing its programme.

Unless the plan has to be cancelled at the eleventh hour, the majority of workers in B. C. will be paying their health insurance dues next year in much the same manner as they now pay for their workmen's compensation.

Favor British Plan

The system now in favor here is the British plan, under which the Government, employers and employees all contribute a share. Determination of the ratio of the contributions and the amounts is now engaging the attention of Mr. Pipe and his associates.

Another point to be settled is the extent of insurance to be offered beneficiaries. Whether the system shall provide only medical attention, or hospitalization, maternity benefits and dental treatment as well, constitute other points at issue.

Regardless of the plan accepted, the cost of so-called social legislation, which already accounts for a large proportion of the Government's operating charges, will be substantially increased.

Cost is Heavy

The Government had a royal commission investigate the whole question of health insurance some years ago. The commission offered several alternative courses. The cheapest of them would provide only medical treatment and hospitalization for actual workingmen and at a cost of $2,075,000 a year, to which employers and the Government would each contribute two ninths, or $210,000, and the workers $1,153,000. This would cost the worker about 60 cents a month.

Under the second system proposed the worker would receive medical and hospital care for himself and dependents and this would cost the worker $18 a year. The cost of the whole scheme would be $5,000,000 and the Government and employers would each contribute $1,035,000. The third plan, offering maternity benefits as well as other provisions, would cost the worker $18.84 a year and the total cost would be $5,300,000.

Many Oppose Scheme

The Government hopes to reduce expenses in other directions by adopting a health insurance policy, but opponents point to the large deficits already incurred and express doubt as to the wisdom of the Government's adding to its financial burden at this time.

West. Canada Underwriters Re-elect Presiding Officers

J. V. Nutter, of Enderton, Brydges & Waugh Ltd., Winnipeg, was re-elected president of the Western Canada Insurance Underwriters' Association at the annual session held recently at Minaki, Ont.

James Dowler was re-elected as vice-president of the fire insurance division and Harold J. Scott was re-appointed as vice-president in charge of the automobile insurance division. Mr. Dowler is secretary of the Canadian Fire Insurance Company and Mr. Scott is superintendent of the Ocean Accident & Guarantee Corporation at Winnipeg.

Insurance Inklings

GEORGE C. STEVENSON, formerly London, Ont., manager for the Great-West Life, has been appointed district manager for the Occidental Life with offices in London.

GLADDEN W. BAKER has been appointed treasurer of the Travelers group.

WILLIAM W. PLAXTON has been appointed Winnipeg manager of the Merchants Casualty Insurance Co. of Waterloo.

F. S. HOGARTH and A. G. KIRKPATRICK, both of Toronto, have been appointed president and vice-president respectively of the North American Life quarter million club, being the leading producers of the company.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Buying an Annuity

In which company should a woman in her early thirties place an annuity?

Would you list for me in order of merit, the following companies? North American Life
Canada Life
Dominion Life
London Life.

We do not care to discriminate between the four companies mentioned in your letter, namely, North American Life, Canada Life, Dominion Life and London Life. All of these companies are registered under the federal insurance department at Ottawa and are in the front rank as regards life insurance companies in this country.

You should have confidence in doing business with any one of these companies.

Orange Lodge Insurance Improves Position in 1933

Assets of the insurance department of the Grand Orange Lodge of British America were increased $79,172 last year and reserve and surplus had increased $80,645, according to a report by the manager at the annual convention of that body held recently.

The insurance department reported that no great effort had been made to obtain new business during the past year owing to the excessive cost. The insurance department had concentrated on consolidating its financial position during the year.

Stobie, Forlong Creditors May Get More Dividends

Stobie, Forlong creditors, it is expected, will receive another dividend of 10 per cent in the near future. Creditors have already received 10 per cent from the liquidating company, half before the second bankruptcy caused by default of debenture interest, and half afterwards.

Assets of Stobie, Forlong, bankrupt brokerage firm, were all of a speculative nature and totalled only about $78,000 at the time of the original bankruptcy. Since then the market for the stocks held has improved.

North American Life Has 25 p.c. Business Gain

North American Life reports that settled business in the first six months of 1934 shows an increase of over 25 per cent as compared with the same period of 1933. Increases have occurred in every month since January as compared with the corresponding months of last year.

Company officials explain that this large increase, which has taken place in the face of a decline in total business written in Canada, according to the Hartford Institute figures, may be partly accounted for by the mutualization in 1931 of the company's business. They also point to their record of having maintained or increased their dividends to policyholders throughout war, epidemic and depression years.

FIDELITY
Insurance Company of Canada
TORONTO

Established 1869
Strength• Stability•
Assurances in Force (Dec. 31, 1933) $518,521,336.00
Assets $138,912,508.00
Surplus Funds and Contingency Reserves $11,917,520.04
A Purely Mutual Company
Every dollar of surplus earnings belongs to policy-holders and is either actually paid or allotted as cash dividends or held in trust for future distribution.
THE MUTUAL LIFE Assurance Company OF CANADA
HEAD OFFICE - WATERLOO, ONT.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
BRANCH OFFICES: Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, St. John, Halifax
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70
ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
HEAD OFFICE—WAWANESA, MAN.
Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.
FIRE WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE LIABILITY DOCTORS AND DENTISTS LIABILITY PLATE GLASS
Insurance in force .... over $243,000,000
APPLICATIONS INVITED FOR AGENCIES IN ALL PROVINCES
Eastern Offices: 341 CHURCH ST., TORONTO

50 Years of Service with Security
Founded in 1884—still adheres to its original sound insurance practice—adequate protection at fair rates, supported by ample resources.
The PORTAGE LA PRAIRIE Mutual Insurance Company
Portage la Prairie, Man.
TORONTO VANCOUVER EDMONTON MONTREAL
75

Position of Chartered Banks of Canada as of June 30, 1934, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	35,522,102	32,060,966	9,000,000	11,780,670	122,449,103	381,013,567	61,924,407	2,021,643	1,010,150	3,341,871	148,532	6,411,632
Nova Scotia	12,560,387	502,257	3,214,000	540,804	37,401,285	131,165,903	35,101,987	2,408,101	112,691	1,083,737	155,637	6,104,000
Toronto	6,591,249	194,515	2,500,000	1,115,951	21,778,240	63,073,952	....	483,501	174,548	786,096	....	1,116,948
Provinciale	3,934,126	216,343	600,000	76,948	7,803,977	31,775,363	....	605	....	45,864	....	120,170
Commerce	25,753,768	581,096	7,000,000	6,326,848	103,463,891	279,397,513	58,073,623	1,989,419	743,232	6,353,762	65,310	14,691,198
Royal	32,627,261	1,167,806	9,000,000	8,517,020	121,250,472	262,557,570	167,161,746	792,963	510,467	7,916,773	312,993	20,227,358
Dominion	6,919,313	553,570	1,456,000	527,255	24,986,096	60,292,437	5,764,805	1,083,643	118,746	1,332,513	....	2,747,728
Nationale	8,522,604	388,484	3,500,000	3,772,899	17,338,566	78,629,526	1,483,379	1,054,576	29,410	175,128	....	411,912
Imperial	8,766,853	513,149	1,590,000	2,546,287	26,669,969	73,608,000	....	1,306,404	225,736	782,879	....	706,203
Barclays (Canada)	333,975	113,345	84,000	780	2,704,851	3,484,967	....	685,124	1,835,947	1,458,850	18,771	49,398
Total	141,531,638	36,291,531	37,944,000	35,205,462	485,846,450	1,364,998,798	329,509,947	11,825,979	4,760,927	23,277,473	701,243	52,586,547

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	% Last dividend	*Loans to Directors and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	1,681,779	19,067	38,000,000	36,000,000	742,385,494	50,000,000	36,000,000	8	1,150,815	15,290,992	42,461,360	35,522,102
Nova Scotia	157,833	359,074	24,000,000	12,000,000	266,867,703	15,000,000	12,000,000	12	2,825,317	8,436,123	8,320,872	12,560,387
Toronto	101,691	2,842	9,000,000	6,000,000	112,919,539	10,000,000	6,000,000	10	1,099,137	388,360	2,910,410	6,591,249
Provinciale	6,064	5,408	1,000,000	4,000,000	49,584,873	5,000,000	4,000,000	6	671,980	228,121	406,639	3,934,126
Commerce	....	14,564	20,000,000	30,000,000	554,454,228	50,000,000	30,000,000	8	4,695,752	10,449,000	30,015,000	25,753,768
Royal	78,008	31,794	20,000,000	35,000,000	687,152,237	50,000,000	35,000,000	8	2,146,721	11,727,204	28,568,148	32,627,261
Dominion	268,800	175,592	7,000,000	7,000,000	120,226,502	10,000,000	7,000,000	10	1,638,584	662,000	3,253,000	6,919,313
Nationale	....	6,953	5,000,000	7,000,000	137,313,439	10,000,000	7,000,000	10	241,596	924,209	1,012,857	8,662,679
Imperial	....	1,486	8,000,000	7,000,000	131,716,970	10,000,000	7,000,000	10	582,974	494,240	3,617,195	8,766,853
Barclays (Canada)	....	....	500,000	500,000	11,770,012	500,000	500,000	......	....	12,241	587,162	335,390
Total	2,294,175	616,780	132,500,000	144,500,000	2,804,390,997	210,500,000	144,500,000	......	15,052,876	48,612,490	121,152,643	141,673,128

*And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other Bonds and Stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	15,224,949	52,249,179	3,121,334	393,343	24,023,267	270	3,806,363	8,909,247	255,643,298	30,009,105	2,823,675	5,673,560	54,498,586	183,150,685
Nova Scotia	8,351,347	8,840,024	1,036,058	2,247,346	9,333,925	....	1,718,326	8,030,206	61,740,227	14,531,994	8,067,655	7,248,402	3,492,365	89,005,538
Toronto	376,106	3,103,809	579,315	25,601	4,891,624	....	2,341,838	1,225,667	35,107,190	5,646,759	1,007,881	5,180,950	....	43,145,382
Provinciale	226,940	357,446	400,560	74,003	1,847,143	1,537,953	11,993	209,680	9,888,820	8,848,737	3,022,253	5,033,166	....	13,677,826
Commerce†	10,296,570	25,901,732	2,129,540	1,477,446	17,392,456	6,774	524,741	17,516,928	111,746,784	29,751,919	11,446,124	26,236,104	35,409,189	166,018,889
Royal‡	11,403,291	23,976,095	2,946,179	14,511,138	19,572,320	20,631	7,042,895	24,484,276	104,665,369	23,274,250	11,452,634	28,756,152	26,540,621	218,437,782
Dominion	639,527	3,508,829	905,045	68,920	5,229,918	....	140,111	1,545,084	24,937,546	4,765,514	2,061,655	7,926,303	5,235,417	51,819,542
Nationale§	913,598	847,671	624,810	78,881	6,177,445	202,657	781,361	1,260,071	24,090,921	15,852,866	3,596,907	4,625,430	....	39,959,028
Imperial	469,599	6,299,775	735,170	66,044	5,251,432	617,588	770,992	1,060,526	24,270,782	5,898,280	208,975	7,164,427	....	56,073,355
Barclays (Canada)	13,540	340,076	13,445	1,479	341,450	1,596,852	3,381,994	855,509	2,398,549	335,177	15,950	941,100	....	1,015,085
Total	47,915,467	125,424,636	12,491,456	18,944,201	94,060,980	3,982,725	20,520,614	65,097,194	654,489,436	138,914,601	43,703,709	98,790,594	125,176,178	862,302,612

NAME OF BANK	Other current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves*	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	14,704,733	5,619,640	49,340,096	3,755,780	514,766	1,005,293	14,500,000	6,411,632	1,637,307	7,000,000	59,005	411,464	744,486,588
Nova Scotia	11,829,253	2,502,180	10,342,483	900,799	....	106,000	7,550,182	6,104,000	538,972	1,250,000	2,788,371	101,275	267,656,940
Toronto	....	....	5,048,641	367,054	....	43,623	3,635,265	1,116,948	315,801	630,866	....	....	113,790,328
Provinciale	....	....	1,111,082	172,989	596,350	376,437	2,139,988	120,170	201,276	....	....	98,219	49,956,030
Commerce†	16,082,497	8,007,373	28,220,020	3,442,405	2,600,731	2,321,142	14,776,481	14,691,198	1,250,000	4,000,000	4,021,833	412,728	555,981,116
Royal‡	103,141,263	1,356,962	11,861,507	4,086,431	2,500,234	355,822	17,035,500	20,227,358	1,500,000	3,000,000	6,476,790	494,950	689,620,515
Dominion	316,231	....	1,429,752	401,245	84,928	36,270	5,938,920	2,747,728	309,070	400,000	....	229,024	120,676,588
Nationale§	67,510	5,004,853	12,573,477	455,029	1,225,291	591,846	6,058,555	411,912	369,423	2,000,000	....	61,489	127,831,041
Imperial	....	4,367,488	9,019,448	353,004	188,601	399,072	6,000,506	706,203	452,152	2,600,866	....	138,468	133,112,713
Barclays (Canada)	....	....	....	13,263	....	....	450,000	49,398	14,795	....	....	....	11,777,670
Total	146,141,487	26,858,496	128,946,506	13,947,999	7,710,951	6,035,505	78,085,397	52,586,547	6,588,796	20,881,732	13,345,999	1,945,617	2,814,889,538

*Of this deposit $5,181,732 is in gold coin; the balance is in Dominion notes.
*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.
†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.
‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.
§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return.—Footnote to Banque Canadienne Nationale return.

News of Canadian Mining Investments

The Week in Mining

Ware Scare "Phoney"?

THE amazing market break in New York, from which Canadian mining markets spent the whole of last week recovering, has been the cause of much theorizing on the part of financial experts. The many peculiar features of the slump provide wonderful material for speculation.

Ostensibly, the cause of it all was the Austrian crisis, and so-called "war scare." But markets have a way of reacting in exactly the same manner to any given stimulus, and last week's break lacked some of the essential ear-marks of the ordinary "war-scare market."

Chief of these was the fact that base metals, and nickel, usually associated with munition manufacture, and usually sent sky-rocketting at the first whisper of war, failed to ascend, and actually dropped off during the recent break.

As a result, many market observers cried "phoney" when told of the "war scare," and looked elsewhere for the cause of the sudden break.

Some of them found it in the fact that Roosevelt was at the time of the break just about due to return to terra firma. It is argued that Wall Street, still very much concerned about just how stringent the administration's new blue-sky policy will be, thought to "throw a scare" into the president by greeting his return with a major market crash, thereby dodging any unusual burdensome disciplining. If this theory is true, the Austrian crisis gave bearish operators a marvellous excuse to depress the market. On a market which is admittedly inflated away ahead of business and industrial recovery in the United States, talk of war would provide just the right sort of a pin.

• • •

TO CANADIAN gold mining interests, the industrial slump was in the nature of a triumph. For many months market men have been worried by the increasing amount of American capital entering the Canadian gold mining markets. It was feared in some quarters that if the New York industrials took a sudden drop, American capitalists would, first thing, unload their Canadian gold stocks in order to cover marginal calls on industrials. The effect on the Canadian market would be disastrous, it was argued. Gold shares could not possibly stand the sudden dumping of American-held stock. But gold shares did, and their quick recovery from the comparatively slight drop they did experience was a tribute to their current firmness.

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Moon and Dog

IN CONNECTION with war scares, the League of Nations Society in Canada, in their July "News Sheet," once more bring up the question of curbing nickel exports as a remedy for war. It is claimed that the fact that nickel exports from Canada were 10,400,000 lbs. in March, 1934, as compared to 3,200,000 in March, 1933, proves that world armaments are increasing in proportion.

These figures, coupled with the blatant armament race known to be in progress, are practically irrefutable. But in concluding, as does the writer for the League of Nations, that the mere curbing of nickel exports would seriously retard this race, the writer appears to be mistaking the cause for the effect. It is an old argument, but one that does not gain strength with age, that choking the nickel supply would stop armaments and, consequently, war.

When one considers the enormous forces behind any international outbreak, and the colossal resources brought into play, this type of argument descends to the level of that about stopping the moon from rising by choking off the dog that barks at it.

Welcome Visitors

THE arrival in Canada a few days ago of a score of keen-eyed, young Princeton students has a more than superficial economic significance.

The young men are students at the summer school of geology and natural resources, of Princeton University, and are coming to spend a month studying the natural resources of Canada. Behind their arrival, to quote the director, Richard M. Field, is the "conviction that many of the problems which confront the United States in the politico-economic field, such as problems of natural resources, of agriculture, of land and water transportation, of labor, etc., cannot be well understood without a knowledge of similar situations in Canada, or brought to a good solution without an exchange of information and ideas, and general cooperation between the two countries."

The idea is a sound one. With the economic stress of the last few years, nations are realizing more and more the need to cultivate and conserve the natural resources. Canadian mining men can learn as much from informal chats with this group as the group hopes to learn from Canadian mining men. And most thinking mining men eager to give them a welcome.

Duparquet Announces New Mineral Strike

Following the receipt of a wire from E. K. Fockler, of Minefinders Ltd., at present engaged in completing a geological survey of Duparquet Mining Co. property, the company announces that discovery of an interesting mineralized section lying in a southwest portion of the property toward the boundary of the Beattie Gold Mine holdings has been made by Dr. R. A. Hallet, geologist of Minefinders, and his crew of prospectors. Duparquet diamond drilling programme is now being carried out by the Sudbury Diamond Drilling Co. on the northwest section of the property.

GRANADA SHOWS $9.02 RECOVERY FOR SIX MONTHS

Mill Returns of $157,112 Claimed in Half Yearly Report

Mill returns of $157,112 from 17,419 tons of ore milled are shown in a summary report covering operations of Granada Gold Mines operating in the Rouyn area, in the first half of the current year. Average recovery per ton was $9.02 and average mill-heads are estimated at $9.69 per ton. The value of bullion recovered for the period shows an improvement over 1933 when returns amounted to $223,111 for the entire year. Recovery per ton in 1933 was $5.94. Production figures for the six months ended June 30, 1934, are given below compared with figures for the year 1933.

Production

	Tonnage treated	Daily aver.	Recov. per ton	Bullion receipts
6 Mos 1934	17,419	96	$9.02	$157,112
Year 1933	37,537	102	5.94	223,111

The report which is issued over the signature of C. L. Hershman, mine manager, indicates that in the six-month period ore broken in production and development amounted to 26,152 tons. Ore hoisted totalled 17,878 tons.

Total cost of operation per ton, the report shows, equalled $6.193, of which $3.236 was in mining, $1.527 in milling and $1.43 development charge per ton. The average cost of drifting and crosscutting was $12.132 per ft.; of raising, $14.336 per ft.; and of diamond drilling, $1.085 per ft. Costs are based on contract price plus all charges of power, etc.

Development work during the period under review progressed satisfactorily, officials state, development advance for the period being 5,393 ft. of drifts, raises, crosscuts, and shafts plus 9,708 cu. ft. of level stations, pockets and sumps, 4,293 ft. of diamond drilling was done to explore the No. 1, No. 2, No. 3 and No. 5 vein structures on different horizons and to obtain geological information. No. 2 shaft sinking was completed.

Ore Reserves 14,170 tons

Ore reserves on No. 1 vein have been estimated at 14,170 tons showing an average assay value of 0.25 ozs. of gold per ton, and on No. 2 vein, at 98,098 tons with an average assay of 0.35 ozs. per ton. In August, 1933, ore of reasonable probability was estimated to amount to 28,704 tons, with an assay value of 0.30 ozs. of gold per ton. Up to June 30, 1934, 13,914 tons of this ore had been mined and the value per ton was 0.577 ozs. Possible and probable ore, the report says, is indicated in lateral and vertical extensions of the No. 2 vein structure and the partially developed section of the No. 1, No. 2A, and No. 3 and No. 5 vein structures.

ENGINEER IS SENT BY WALLACE LAKE TO STUDY STRIKES

New Company Financed for Six Months' Operations at Long Lac

W. Jackson Bull, consulting engineer for Wallace Lake Gold Mines, has left for the company's properties in the Dik-Dik or central section of the Long Lac area to inspect the discoveries which have been made recently and to report on developments to date according to official advice received from Winnipeg.

The company which was incorporated early this year reports that the property, consisting of 22 claims totalling 840 acres and adjoined on three sides by the property of the Dik-Dik Exploration Co. is now equipped with an up-to-date mining camp and that considerable surface work has been done, resulting in three main discoveries. On the west side of Dillabough Lake a strong shear zone has been picked up in the granite. It is 30 ft. wide in places and can be traced to the adjoining Foisey claims. On the east side of the lake a three-ft. quartz vein has been found in the greenstone schists, containing visible gold.

The most important discovery, however, was made in the northeast portion of the property and at the present time work is being concentrated on this vein. The vein, which is reported to occur under conditions which are identical with those of the Dik-Dik vein, has been traced for a distance of 400 ft.

Financed For Six Months

In addition to its properties in the Long Lac area Wallace Lake Mines owns a property on the north shore of Wallace Lake, Manitoba, consisting of nine claims formerly known as the Conley-McCharles claims. Surface work on this property is being carried on and to date showing prospects of merit.

It is understood that the company has ample finances for six months operations. At the completion of present financing arrangements $212,000 will have been paid into the treasury and 400,000 treasury shares will be available for further financing. The company has an authorized capitalization of 3,000,000 shares of no par value, 1,830,000 of which have been issued for properties and cash. 1,250,000 of the issued shares have been pooled.

Theodore A. Sparks, Winnipeg lumberman, is president of the company. T. A. Burrows is vice-president, and Benjamin Parker, K.C., Winnipeg and J. J. Strutt, London, England, directors.

Crown Consolidated Listed on Montreal Curb

From Our Own Correspondent

MONTREAL.—Outstanding shares of Crown Consolidated Mines Co. were listed for trading on the Montreal Curb market on August 1. Of 5,000,000 shares of 25 cents par value authorized half are outstanding. The company, incorporated in the State of Nevada, was organized for the purpose of engaging in the gold and silver mining business at its property located [illegible] six miles south of Golconda, Humboldt County, Nevada.

Ticker abbreviation will be "CK."

May Copper Output Rises Nickel Production Drops

World Copper Stocks Decline 29,227 Tons With U. S. Contributing 56.1 Per Cent of Fall-off—Nickel Production in May Double 1933 Figure

A noticeable increase in copper production from Canadian mines is reported by the Dominion Bureau of Statistics, in a report just issued. Copper production for May amounted to 35,680,539 pounds, as compared with 31,739,138 in April, and 21,056,268 pounds in May, 1933. For the five months ended May 31, 1934, the Canadian output totalled 149,282,704 pounds or 45.4 per cent above the corresponding period of 1933, and 36.2 above the five-month total in 1932. Blister copper production is given at 32,374,137 pounds in May, as against 28,475,000 pounds in April.

Taking a price of 8.1411 cents per pound for May, and a price of 8.2816 cents for April, the May output was worth $2,904,822, and the April production, $2,628,527.

World stocks of copper declined during the month by 29,227 tons, the stocks on May 31 amounting to 538,373. Of this decline, the U. S. contributed 56.1 per cent.

The following table compares production from Canada by the month during 1933 and for the first five months in 1934:

Copper Production

Month	1934 Pounds	1933 Pounds
January	26,514,543	22,950,527
February	24,515,502	17,165,922
March	30,832,982	21,708,287
April	31,739,138	19,776,008
May	35,680,539	21,056,268
June	....	25,265,798
July	....	29,468,497
August	....	28,099,702
September	....	30,554,881
October	....	29,740,400
November	....	26,289,342
December	....	26,464,909
Total—Calendar Year		298,540,541

Nickel production despite increased war talk dropped in May from 12,924,418 pounds to 10,033,939 pounds. On the other hand, the May production is nearly double the production in May, 1933, which was reported at 5,480,554 pounds. An increase of 240.4 per cent has been shown in Canada's nickel output in the five months ended May 31, when 49,932,038 pounds were produced as compared with 14,666,635 pounds in the corresponding period last year.

The following table gives monthly nickel production for 1933 and 1934:

Nickel Production

Month	1934 Pounds	1933 Pounds
January	9,268,292	1,780,899
February	7,268,537	1,990,102
March	10,436,852	3,279,230
April	12,924,418	2,135,850
May	10,033,939	5,480,554
June	....	8,050,726
July	....	9,237,576
August	....	10,197,430
September	....	10,525,853
October	....	10,714,021
November	....	10,826,957
December	....	8,788,408
Total—Calendar Year		83,107,606

Canadian silver output in May reached a total of 1,508,323 ounces as compared with 1,032,744 ounces in the preceding months, and 1,176,487 ounces in May, 1933 A decline of 3.7 per cent in the first five months of 1934 is seen, compared with output in a corresponding period 1933. From January 1 to May 31 this year, Canada produced 6,263,979 ounces of silver. Taking the average price for May, in Canadian funds at 44.1464 cents per ounce, the Canadian production for May was worth $665,870. In April silver production was valued at $465,614.

The American Bureau of Metal Statistics estimates the world production of silver in May at 15,022,000 ounces as against 16,318,000 ounces in the preceding month. Silver stocks held by United States refineries declined 4,691,000 ounces during May to a total of 7,174,000 ounces.

Following is Canadian silver production by the month for 1933 and 1934 to date:

Silver Production

Month	1934 Ounces	1933 Ounces
January	1,403,066	1,383,776
February	1,347,240	1,307,154
March	972,606	1,285,888
April	1,032,744	1,350,974
May	1,508,323	1,176,487
June	....	882,035
July	....	1,174,662
August	....	1,425,643
September	....	1,239,508
October	....	1,347,608
November	....	1,279,235
December	....	1,086,434
Total—Calendar Year		14,939,404

A decline from April is shown in lead production for Canada, during May. In this month, production was 25,939,731 pounds. In April production was 26,293,879 pounds, and in May, 1933, lead production amounted to 25,850,858 pounds.

The world output of refined lead advanced to 132,305 tons from the April total of 113,027 tons. During the month, a 21 per cent increase was noted in U.S. lead production.

The following table sets forth lead production for the various months since January, 1933.

Lead Production

Month	1934 Pounds	1933 Pounds
January	28,022,906	20,782,296
February	27,220,883	18,626,329
March	21,788,559	19,223,069
April	26,293,879	23,614,659
May	25,939,731	25,850,858
June	....	20,705,505
July	....	20,153,596
August	....	24,263,984
September	....	23,404,964
October	....	23,751,022
November	....	25,277,522
December	....	19,883,504
Total—Calendar Year		265,537,308

A new high monthly record was set by Canadian zinc producers in May when 26,132,534 pounds were produced. In April, 26,012,656 pounds were produced, and in May, 1933, 13,926,963 pounds.

A comparative table for zinc production during 1933 and 1934 to date follows:

Zinc Production

Month	1934 Pounds	1933 Pounds
January	21,767,490	13,892,630
February	19,150,013	12,649,370
March	22,774,662	13,806,497
April	26,012,656	13,415,286
May	26,132,534	13,926,963
June	....	15,619,628
July	....	14,345,809
August	....	16,299,969
September	....	18,309,672
October	....	20,304,759
November	....	21,378,940
December	....	21,868,002
Total—Calendar Year		195,817,525

NEW LEVELS CUT BY BIG MISSOURI

President of Buena Vista Urges Further Development Work

In a letter to shareholders of Big Missouri Mines Corp. over the signature of C. H. Rainville, president, it is stated that work at the Province Tunnel was renewed last fall and was confined to the main north-south ore zone, which has been extended about 1,000 ft. in both directions The property is now being operated by Buena Vista Mining Company. Mr. Rainville reports that a fault vein has been located in this area and a large ore shoot of commercial grade bearing in width from 12 to 50 ft. has been found and opened up for a considerable distance at this horizon.

W. M. Archibald, president of Buena Vista Mining Company, has recommended that a raise be driven in this new ore from the province tunnel level to the surface, a distance of about 600 ft. at which new levels will be cut at intervals with sufficient drifting and crosscutting to define the width and grade of the ore at each level. It is also recommended that at the same time a lower tunnel be driven under the present working and a site be chosen immediately from which a tunnel will intercept the downward extension of the new ore. It is reported that the first part of this programme has already been started. At the present time, there are about 3,000 tons of indicated ore per foot of elevation, Mr. Rainville reports.

Ottawa Issues New Map in Topographical Series

The Topographical and Air Survey Bureau of the Department of the Interior, Ottawa, has just issued a new map of a portion of the southern interior of British Columbia, known as the Shuswat sheet of the National Topographic series. It includes two of the four far-flung arms of Shuswat Lake, the main westerly arm and the southern, or Salmon arm. The map sheet adjoining on the east and west are already issued and work is producing on the sheet to the south. Copies are available at the Topographical Air Survey Bureau, Department of the Interior, Ottawa, for 25c. each.

Arcadia Gold to Work Former Triplex Properties

Arrangements for financing to be applied to extensive development work and the erection of a mill are announced by Arcadia Gold Mines which acquired the property of the old Triplex Gold Mines in the Porcupine area of Ontario. At present, the company has sunk two shafts about 100 ft. down and about 400 ft. of lateral work has been done. Of an authorized capitalization of $3,500,000 in $1 par value shares, approximately $1,500,000 shares were issued as at July 28.

TREAT 12,553 TONS AT TRAIL SMELTER

Total Since January 1 Now Amounts to 287,211 Tons

Ore receipts at the Trail smelter of the Consolidated Mining and Smelting Co. for the week of July 15 to July 21, 1934 totalled 12,553 tons, 11,759 tons being shipped from the company's mines and 794 tons from other mines. This brings the total ore receipts since Jan. 1 to 287,211 tons. The following tabulation gives the amount received from the various mines during the period:

Name of Mine	Tons of ore
Dundee	38
First Thought	247
Goodenough	120
I. X. L.	12
Knob Hill	108
Kootenay Belle	42
Lucky Strike	3
Winner	4
Yankee Girl	189
Twin Lakes (concentrates)	31
	794
Total company	11,759
Grand total	12,553

Cuniptau Will Sink Shaft To Develop 235-ft. Level

In a progress report recently issued over the signature of E. T. Muntz, vice-president of Cuniptau Mines, it is stated that the sinking of the shaft from 100 to 235 ft. level is now under way and development of the 235 ft. level will be proceeded with as recommended by J. M. Morrison, the company's consulting engineer. The property is in the township of Strathy, Timiskaming Mining Division, and consists of ten claims in one block, and over 50 claims in another block in the northwest corner of the township.

Plan Recovery Plant

The company reports that a small mining plant recently installed is giving satisfactory service and consists of a 90 h.p. boiler, a 350 cubic ft. air compressor, with hoisting engine, pump and general small mining equipment. Buildings have been erected to accommodate about 50 men. The company believes that sufficient ore has now been developed to justify the installation of a recovery plant and plans for an initial concentrating unit, to have a probable minimum daily capacity of 150 tons, are now being prepared. Mr. Morrison estimates that 180,000 tons of ore averaging $13 is available in the area above the 100-ft. level and estimates that a further 180,000 tons may be located between the 100- and 200-ft. levels. The company does not consider it necessary to develop the ore body beyond the area already drilled.

Cuniptau Mines is headed by Bran W. Watkins as president and has an authorized capitalization of $3,000,000 of which 2,082,150 shares have been issued. Par value is $1.

HIGHWOOD SARCEE HAS RECORD FLOW IN SOUTH TURNER

Drillers Predict Daily Production of 500 Bbls. of Naphtha

Highwood Sarcee Well in the south end of Turner Valley field recently blew in at a depth of 5,750 ft. with a wet gas flow of 28,000,000 cu. ft. daily, it has been announced. Of the 5,750 ft., 410 ft. were in limestone. Drillers at the field predicted that the well would be capable of production of 500 bbls. of naphtha daily. The initial wet gas flow was the largest in Turner Valley at the present time.

In the upper horizons on the well, the company encountered the largest amount of crude oil ever found in any well drilled in the valley. With unusual luck, just as the tools had been taken out of the hole, the well unexpectedly blew in, thus avoiding a possible expensive and long fishing job.

Company officials, in view of the tremendous gas pressure, were hesitant to attempt to drill further with their cable tool equipment. They pointed out, however, that the Sterling Royalties got its production at 600 ft. of limestone and if Highwood Sarcee would drill deeper probably more wet gas would be obtained.

Save Long Job

So many rocks and pieces of limestone were thrown into the air by the gas flow that it was found impossible to connect a separator immediately. Company officials have not yet decided whether it would be advisable to attempt further drilling or to be satisfied with the present apparently excellent producer. However if the wet gas flow should ever fail, it is pointed out that Highwood Sarcee had two courses to follow. One would be to drill deeper in search of more gas and the other would be to take crude production from the upper sand.

The new well adds another clause to the argument of those who maintain that the south end of the field has great possibilities. A few years ago. a well as far south as Highwood Sarcee would be looked upon as a wildcat and its chances of obtaining naphtha production would have been considered slim.

GOD'S LAKE MILL DEPENDS ON ORE IN NEXT 2,000 FT.

Company Awaits Development for 500 ft. Each Way from Two Levels

Robert J. Jowsey, president of God's Lake Gold Mines, on his return from the mine recently, put an end to the reports that circulated freely in Toronto that God's Lake Gold Mines were definitely planning construction of a mill this fall.

In conversation with The Financial Post, Mr. Jowsey stated that plans for a 300 ton mill were being laid. The company had not definitely decided to install a mill this fall and were waiting to see if the two top levels stand up under 1,000 ft. of drifting. As it takes about three months to lay out plans for a mill, the company considered it advisable to go ahead with plans so that if the two top levels came up to expectation, there would be no delay in installing a mill in the autumn. C. G. Keading, mining engineer, has already left for the mine to draw up plans for the mill, in case it should be warranted. Thus, if the vein width and values stand up for 500 ft. on each side of the shaft at these levels, the company will be in a position to install a mill rapidly.

No Disappointment

Mr. Jowsey told The Financial Post that the company officials were in no way disappointed at the assays obtained when the vein was intersected at the second level, showing values of .20 ounces of gold per ton, or about $7 at $35 gold. He pointed out that the diamond drilling conducted to the west of the shaft indicated that the high grade ore was at least 200 ft. further west than the present objective of the crosscut from the second level. Thus, the company does not expect to strike high grade ore till it has continued the drift another 200 ft.

It has been announced that power for God's Lake area is supplied by a company known as Kanetchuan Power Co., a wholly owned subsidiary of God's Lake Gold Mines. The first power unit will have a capacity of 1,200 to 1,500 h.p., leaving a total of 5,000 h.p. available as reserve for further development. The Kanetchuan River power site is approximately 27 miles by pole line from the God's Lake Mine. Engineers have been sent in to the site to prepare plans for proceeding with construction work this winter.

Cariboo Gold Quartz Will Increase Mill

The mill of the Cariboo Gold Quartz Mining Co., situated on Island, Cow and Barkerville Mountains, near Barkerville, B.C., will shortly be stepped up to its full capacity, officials of the company announce. At present, the mill is operating at about 70 tons daily capacity.

The company is carrying on exploration and development work and claims that all necessary machinery for the increase in mill capacity is now on the ground and in the process of being installed.

Of an authorized capitalization of $2,000,000 divided into 2,000,000 shares of $1 par value, 1,283,309 were outstanding as at July 24. The capital of the company was recently increased from 1,000,000 shares, par value $1. Balance sheet as at January 31, 1934, shows current assets of $411,112 including bullion in transit of $42,849 as against current liabilities of $51,121 which includes reserve for taxes of $4,137.

Wayside Will Have Third Examination

From Our Own Correspondent

VANCOUVER. — Operating policy of Wayside Mining Co. has not yet been definitely determined, but it is indicated that development will be proceeded with in a modest way along the lines recommended by Col. H. H. Yuill, who examined the property.

Meanwhile the provincial government has undertaken an investigation of the mining reports of the company, in response to requests from eastern shareholders. The financial set-up of the company is said to be perfectly sound, following a check-up by the attorney-general's department, but the mines department is having its engineers make an investigation of the property itself and check them up with the reports issued.

The offer of H. C. Wilmot, M.E., to make an independent examination of the property free of charge, has been accepted by the management. Some of Col. Yuill's assistants are still on the ground, so that the situation regarding Wayside should be pretty well cleared up in the early future.

SOOCANA MINING MAKES ITS BOW TO U. S. INVESTOR

Plans to Develop Claims in Soo Area—Sold in New York

Soocana Mining Co. will shortly make its first issue of 250,000 shares to be offered by W. M. Harvey and Co., New York City, at 40 cents per share, The Financial Post is informed. To date the financing of developments at this company's property in the Soo area has been financed by directors, the majority of whom are from across the border.

Acquires New Property

Recently this company acquired the assets of Holdsworth Gold Mining Syndicate, which consisted of a gold prospect at Hawk Junction, Algoma District, and which had been operated previously under lease by the Soo Mining & Prospecting Syndicate. In addition to the Holdsworth group, the Soocana owns the Reed Booth and the Pyrite groups, all in the district of Algoma. A gasoline operated mining plant is on the Reed Booth group and a 5-ton pilot mill also operated by gasoline is on the Holdsworth group. The company also owns a gas driven diamond drilling outfit. Diamond drilling to date has indicated approximately 54,000 tons with an average of .53 oz. in gold per ton on the Holdsworth group. The company reports that the shaft on the Reed Booth group is down 80 ft. with average value so far of .27 oz. in gold per ton.

The company has an authorized capitalization of $2,500,000 in $1 par value shares, of which 892,856 shares were outstanding on July 23.

Clyde A. Saunders of Sault Ste. Marie, Michigan, is president of the company.

Base Metals Corp. Reports 2nd Quarter Operations

In a report covering operations during the three months ended June 30, 1934, Base Metals Mining Corp. reports that ore milled amounted to 23,860 tons, assaying 11.8 per cent lead, 16.5 per cent zinc and 2.66 ozs. of silver. From this was produced 3,223.6 dry tons of lead concentrates assaying 80 per cent lead and containing 37,181 ozs. of silver and 5,814.2 tons of zinc concentrates assaying 61.1 per cent zinc.

During the quarter 23.904 tons of ore were trammed to the mill and approximately 1,000 tons were added to the broken ore reserves. All costs of mining, including aerial tramming and overhead, are reported at $25,743 or $1.08 per ton of ore. Milling costs, including overhead and overhauling cost during the shutdown period, were $29,045, equivalent to $1.22 per ton of ore.

Grade is Higher

A total of 854 ft. of development work was done during the period, consisting of 366 ft. of raising, 263 ft. of crosscutting and 234 ft. of drifting. The work was about equally divided between the two ore bodies. Stoping has proven the West Monarch ore body to have greater width and thickness than was given in former estimates and to date no definite western limit has been reached in any of the present working stopes. The ore body is reported to be very strong. The grade has been slightly higher than former estimates.

Development work in the East Monarch ore body, the report states, resulted in the finding of only small spots of ore.

Norco Thompson Mines — This company has taken an option on the Bourchard Colliery property in Clericy Twp., where work is starting at once, it is officially announced. The company claims that visible free gold is showing on several veins.

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PAYMASTER PLANS TO ENLARGE PLANT VICE-PRES. STATES

Main Shaft Dewatered to 400-ft. Level, Says Report

A progress report recently issued over the signature of E. H. Walker, vice-president of Paymaster Consolidated Mines, states that the company has plans for immediately enlarging mining and milling operations in conjunction with continued development work.

Actual mining operations were started from the west Dome shaft in November, 1933, on the 200- and 300-ft. levels. Simultaneously the shaft has been sunk to the 425-ft. level where a new vein was encountered within the past two weeks "showing unusually high values." The company estimates an ore reserve in the west Dome shaft of approximately 30,000 tons of commercially profitable ore.

In May of this year the company started dewatering the Dome Lake or main shaft which is already done to the 1,050-ft. level with thousands of feet of lateral working. The dewatering operations have now been completed down to the 400-ft. level.

The company has two complete cyanide mills already on the property and last week a crew of men were put to work overhauling and getting in shape for operation a third mill with a capacity of about 450 tons daily. The company plans to centralize all operations at its largest mill where milling is expected to start early this fall. Charles E. Cook, managing director of the company is in charge of operations with G. R. McLaren as mine superintendent.

Highland Lass Completes New Level of 800 Ft.

A further level has just been completed on the property near Greenwood, B.C., of the Highland Lass Ltd., for the benefit of both Highland Lass and the Bell Mine, which adjoins Highland Lass. A new level extends between 700 and 800 ft. and will join by a raise of 60 ft. the old No. 3 level of the Bell and Highland Lass. No strike, except a few stringers, was made going in but the ore has been struck at the expected point and gives to Highland Lass a further depth of 60 ft. and length of 300 ft., making a total depth of 122 ft., length 300 ft. and an estimated average width of 2 ft.

Two cars of ore were taken from this vein in 1932 and 1933 and returned to the company $5.000 per car with silver at 27½ cents and 32¾ cents respectively. Shipments this year have been from this vein but have worked in conjunction with the stope of much lower grade. This stope is about finished the company reports and plans are now under way to continue mining from two faces of higher grade ore. The company estimates that they have about seven years work on this new level alone at the rate of two cars per month. Seven cars of ore shipped since March 1, 1934, to June 30, showed returns after smelter and freight charges were deducted of $29,065 with a total expense of about $11,500. Dividends paid from March 1, 1933, to February 28, 1934, are as follows: December 1, 1933, two cents, January 31, 1934, three cents.

Dividends

The current issue of the "Mining Chronicle" discusses dividend distributions of the mines during the current year in relation to earnings and surplus profits.

These figures should be of decided interest to the investor in gauging the probable dividend policy of these companies.

Copies will be mailed upon request.

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FLOODS BRING OUT NEED FOR POWER IN RED LAKE AREA

Hydro Said to be Debating Increasing Ear Falls Plant

Renewed activity in the Red Lake district of Ontario, as indicated in a recent article in The Financial Post, plus a narrowly averted crisis, brought about by extremely high water conditions on Lac Seul have focussed the attention of the Ontario Hydro Commission and mining men on the necessity for increasing the power available in this area. The Financial Post understands that the Ontario Hydro Commission is at present considering the addition of a second generator in its Ear Falls plant.

Power conditions in this district came to a head recently when Howey Mines, the principal buyer of power from the Ear Falls plant, came within 12 hours of being shut down through lack of power. A number of new companies, and old companies, approaching the production stage have been applying for power from the Ear Falls plant which is capable now of an ultimate development of 30,000 h.p.

Built for Winnipeg

The original power plant on the Lac Seul dam was built to ensure a dependable supply of water for the Winnipeg River power plant to serve the city of Winnipeg. When, however, the Howey became a mine, and a potential purchaser of power, a one unit plant was installed just below the dam, having a rated capacity of 6,000 h.p. but able under favorable condtions to generate 6,000 h.p. This spring the melting of a heavy winter snowfall and an abnormally heavy rainfall during June raised the water level above the dam 8½ ft. above the May level and below the dam 12 ft. above last summer's navigation level and 9 ft. above the spring level. The condition cut the efficiency of the plant to as low as 3,000 h.p. Had the water level continued to rise at the same rate for another 12 hours, the plant would have ceased to produce any power at all and there would have been no alternative facing Howey, but to shut down. Company officials informed The Financial Post that the difficulties are now vanquished. The company was taking about 2,600 h.p. and kept milling operations at capacity but development work was temporarily suspended.

Docks Badly Damaged

In addition to causing this critical condition the high waters flooded the docks on Lost Lake at Hudson, tying up transportation and damaging the docks. While at present the docks are all privately owned it is understood that the Dominion Government has now under consideration the building of a new public dock facilities.

Among the companies to apply recently for power from the Ear Falls plant are J. M. Consolidated Mines on the old Jackson Manion property in the Woman Lake area, which recently started production; Mackenzie Red Lake Gold Mines on Mackenzie Island where plans are under way to start construction of a mill toward the end of this year and Casey-Summit Gold Mines near Woman Lake, another new producer of the near future, also in the market for power. In addition to these, a number of other properties both on Red Lake and Pipestone Bay, are rapidly approaching the stage where electricity will be a vital factor in their future development.

New Company to Work Dynamo Mines Property

The property of Dynamo Mines Syndicate, near Greenwood, B.C., is now being transferred to Dynamo Mining and Milling Company of British Columbia, according to latest reports from the company. Under the syndicate, the property has been opened by three tunnels and drifting is now under way on No. 2 vein from tunnel No. 1. Only the surface ore has so far been tested, with the average for smelter lot shipments being about $13.65 per ton. The new company will own outright seven claims adjoining the town of Greenwood, known as Mamont, Starveout, Tunnel Frac, Little Home, Hamilton, Mayflower and Dynamo. It is understood that the treasury stock has been privately subscribed by New York and New England financiers. Of an authorized capitalization of $25,000, the company has $20,500 outstanding par value being $10 per share.

The company is headed by Fred L. Foster, of Vancouver, formerly of New York.

Mill at San Antonio Nearing Completion

Pioneer dividend paying mine in Manitoba, San Antonio Gold Mine reports that the latest mill addition is almost completed and that in August treatment will be stepped up to 300 tons, according to schedule. According to official information, on the 300-ft. level, on vein No. 26, developments have lengthened the ore to 900 ft. and both ends are in ore. The full width of the vein has not been determined.

For the three months ending in March 31, San Antonio had an operating profit of $115,638. Tonnage milled during the period averaged 160 tons daily. Operating profits were therefore at the rate of $460,000 per annum comparing with $284,558 for the whole of 1933.

Hollinger Adopts Plan For Group Insurance

Under an arrangement with the London Life Insurance Company, Mutual Life of Canada and Confederation Life, Hollinger Consolidated Gold Mines has concluded a group insurance plan providing for employees with non-contributory life insurance bearing an amount from $500 to $1,500, depending upon the length of service. Salaried directors and general managers, department heads and assistants, mine captains and shift bosses receive higher amounts of insurance. An added feature of a contributory nature provides a saving fund of $250 additional insurance.

Current Assets $7,919 Shown By Whitewater

Current assets of $7,919 as against current liabilities of $148,194 are shown in the balance sheet as at December 31, 1933, recently issued by Whitewater Mines, which owns a silver-lead-zinc mine in the Caslo division, B.C. Owing to unfavorable metal prices, the company, in 1929, suspended operations on its property which has been operated under lease by F. N. Ross since. This year Mr. Ross has confined his efforts to blocking out ore for stoping when shipment is advisable.

The company reports that Mr. Ross has continued development work to the west of the property and discovered a large zinc vein in that area. The company is now considering extending its tunnels in a westward direction in order to intersect this vein.

The company has an authorized capitalization of $100,000 preferred stock of $1 par value of which $84,270 have been issued to date; and $1,900,000 common stock of $1 par value of which $1,440,640 have been issued to date.

Mak Siccar Reports Encouraging Results

Encouraging results since the new 3,800 level was opened up, is reported by Mak Siccar Gold Mines in the Fairview, B.C., camp, in a progress report just issued to shareholders.

The new level was opened up to avoid unnecessary expense in sinking operations, the report states and has been driven near the boundary line of the Buller and Kitchener claims, some 346 ft. below the Buller levels.

A road, 1¼ miles long, and costing $1,250 has been built to the Keremeos Highway, a few hundred feet from the Great Northern Railway. The new level has now been driven 180 ft. and drifting is proceeding on a granite formation, which, it is hoped will intercept the vein in less than 100 ft.. Drifting is proceeding, with two shifts, at the rate of 9 to 11 ft. per day. Twelve men are at present working on the property.

Mining Stock Quotations

Week Ending July 30, 1934

Par Val.	Range 1933 High	Low	Company	Sales	Close July 23 (or last)	High for week	Low for week	Close July 30
1	.06	.01	Aconda	7,700	.01½	.01½	.01½	.01½
No	.33	.13	Aldermac	17,350	.21	.20	.18½	.18½
1	.10	.02¾	Alexandria	31,300	.04½	.05	.03¾	.04
No	.18	.09	Algoma	21,300	.12	.11	.09½	.10
1	.04	.01½	Amity C.	12,700	.01¾	.01¾	.01½	.01½
No	4.51	2.00	Anglo-Huronian	1,796	4.40	4.35	4.00	4.00
1	.08½	.03	Area	14,500	.04	.03½	.03½	.03½
No	.20	.02	Arno	2,400	.02	.03	.02½	.03
1	1.25	.40	Ashley	8,650	.50	.51	.40	.50
1	.18	.08½	Astoria Rouyn	40,350	.13¾	.13	.08½	.12½
1	.60	.04	Bagamac	212,350	.14	.17	.12	.15½
1	.04½	.00¾	Baldwin	12,000	.02½	.02¾	.02½	.02¾
1	.22	.09	Barry Hollinger	38,750	.12½	.13½	.10	.10
1	2.05	.95	Base Metals	9,725	1.10	1.10	.95	.95
5	.91	.16	B.E.A.R.	27,600	.30	.30	.21	.24
1	.51	.26½	Big Missouri	23,034	.31	.35	.27	.32
1	.75	.23	Bobjo	270,547	.63	.63	.49	.54½
1	3.72	2.40	Bradian	5,772	3.45	3.40	2.75	3.35
No	17.00	9.90	Bralorne	12,258	15.90	16.10	14.00	15.90
1	1.50	.55	Brazil Gold	710	.80	.65	.55	.55
1	.16	.03	Brett Trethewey	11,800	.03	.03½	.03	.03½
50c	1.40	.28½	Bridge River Ex.	58,100	1.18	1.19	.98	1.07
1	.09	.01½	Brownlee	117,900	.02½	.03½	.02½	.03¼
1	.02½	.00¾	Buckingham	8,000	.01	.01	.00¾	.00¾
1	3.70	1.90	Buffalo Ankerite	14,255	3.35	3.35	3.00	3.20
No	.14	.05½	Buffalo Can.	12,700	.07	.07	.05½	.06
5	34.50	23.50	Bulolo	1,100	33.00	33.00	31.50	32.25
No	.05½	.01½	Bunker Hill	47,600	.02	.02½	.02	.02½
5s	1.20	1.00	B'Wana McKubwa	......	1.20	.....	.....	.....
No	.14	.02½	Canam Metals	......	.03	.....	.....	.....
1	.20	.05	Can. Kirkland	94,150	.08	.08	.07	.07½
No	.72	.38	Can. Malartic	49,532	.60	.65	.59	.64
1	.02¾	.00½	Capital Rouyn	2,500	.00¾	.01	.00½	.01
1	2.85	1.00	Cariboo Gold	2,400	1.25	1.30	1.20	1.20
1	.09	.01	Cartier Malartic	19,000	.04½	.05	.04	.04
1	.81½	.49	Castle Trethewey	21,760	.53	.55	.52	.52½
1	.16	.07	Cen. Manitoba	26,400	.10	.10	.08½	.09
1	.98	.54	Cen. Patricia	72,510	.85	.87	.81½	.85
No	.16½	.05½	Chibougamau Pros.	72,250	.12½	.12	.10	.10
No	.15½	.05	Church. M. & Mill.	4,800	.05½	.06	.05	.05
No	.14	.05	Clericy (new)	14,325	.06½	.06¾	.05	.05
1	.03½	.01	Clifton Cons.	3,000	.01¾	.01¾	.01½	.01¾
5	5.75	3.00	Coast Copper	835	3.35	3.50	3.00	3.00
1	.06¾	.02	Cobalt Contact	14,000	.03	.03	.02	.02½
1	.94½	.21	Columario	10,700	.26	.25	.21	.21
5	2.45	1.25	Coniagas	900	2.00	1.95	1.85	1.80
No	1.60	.97	Coniaurum	6,713	1.26	1.35	1.20	1.30
25	170.25	118.00	Cons. Smelters	3,690	128.00	130½	121	129
No	45.50	32.25	Dome Mines	6,514	40.00	40.50	37.00	39.25
No	.07½	.02	Dom. Explorers	2,000	.03	.03	.02¾	.02¾
1	.02½	.00¾	Dominion Kirk.	9,500	.01½	.01	.01	.01
1	.02	.00½	Don Rouyn	......	.00½	.....	.....	.....
1	.17½	.01	Duparquet	28,950	.10	.11	.10	.10
1	4.35	1.76	Eldorado	71,590	2.65	2.65	2.12	2.30
No	4.15	3.00	Falconbridge	6,325	3.45	3.48	3.40	3.42
1	.11½	.01¾	Federal	11,000	.04	.04½	.04	.04
No	.07	.02¾	Gilbec	11,500	.03¾	.04	.03	.03
No	3.75	.70	God's Lake	510,063	3.80	3.75	2.10	2.38
1	.29½	.08	Goldale	73,800	.26	.26	.20	.26
50c	.47	.42	Gold Belt	......	.43	.....	.....	.....
10	.57	.16	Goldfield	......	.27	.....	.....	.....
1	.43	.17	Goodfish	9,250	.17½	.20	.18	.19
1	.18½	.02½	Graham Bosquet	53,700	.09½	.09	.08	.08½
1	1.09	.52	Granada Gold	25,930	.60	.65	.52	.65
No	.53	.20	Grandoro	2,500	.25	.27	.25	.27
1	1.22	.66	Green Stabell	90,320	.81	.80	.70	.73
1	.18	.05	Grozelle	1,500	.09	.09	.08	.08
1	.48	.16	Grull Wihksne	......	.14½	.....	.....	.....
1	2.50	1.28	Gunnar Gold	221,965	2.10	2.20	1.35	2.20
1	.53½	.13½	Halcrow Swayze	189,000	.19½	.24	.15	.18
1	.15	.03¾	Harker	51,400	.11	.11	.09	.10½
1	.02½	.00½	Hilltop	2,000	.00¾	.00¾	.00½	.00¾
5	19.50	11.40	Hollinger	29,805	17.00	18.10	16.00	17.75
1	1.40	.93	Howey Gold	56,635	1.24	1.24	1.10	1.18
No	14.50	9.00	Hudson Bay	2,370	13.00	13.00	11.50	13.00
1	14.25	10.45	Inter. Mining	......	13.90	.....	.....	.....
1	6.25	4.00	Do., Pur. Warr.	400	5.00	5.25	4.75	5.00
No	29.00	21.15	Int. Nickel	52,345	24.12	24.00	21.50	23.25
1	.48	.28	J. M. Cons. Gold.	43,120	.40	.40	.34½	.36
1	.03	.00½	Keora Mines	5,000	.01	.00¾	.00¾	.00¾
	.29	.23	Kirk. Cons.	100,938	.26	.29	.23	.29
1	.73½	.45	Kirk. Hud. Bay	300	.60	.60	.60	.60
1	.05	.00½	Kirk. Hunton	9,000	.01½	.01¾	.01½	.01½
1	.76	.29	Kirkland Lake	49,550	.55	.56	.48	.53
1	.40½	.20	Kirk. Townsite	11,700	.22	.22	.20	.21
20c	.02½	.01	Koot. Florence	2,000	.01	.01½	.01	.01½
1	.23	.02	Lakeland	9,700	.03½	.03¾	.02½	.03
No	.18	.07	Lake Maron	27,150	.09	.09½	.08	.08
1	54.50	42.00	Lake Shore	4,752	53.00	52.75	49.00	50.00
1	.26	.08	Lebel Oro	93,759	.11	.12	.10	.11
No	.22	.08	Lee Gold	23,700	.10	.10½	.08	.09
No	7.75	4.05	Little Long Lac	51,996	6.75	6.95	5.85	6.60
1	3.05	1.85	Macassa	58,680	2.55	2.55	2.12	2.43
1	.08½	.01½	Malrobic	39,600	.03¾	.04½	.03¾	.03¾
No	.17	.09	Mandy	600	.09½	.10	.09½	.10
No	.40	.21½	Man. & Eastern	144,250	.36	.37	.25	.32½
1	1.00	.28	Maple Leaf	25,450	.38	.40	.32	.36
5	50.00	39.25	McIntyre	1,990	45.00	45.00	43.50	43.50
5	1.74	1.00	McKenzie R. Lake	38,625	1.50	1.52	1.22	1.38
1	.75	.50	McKinley	500	.70	.75	.75	.75
No	.06¾	.01½	McLeod River	97,300	.05½	.05½	.03¾	.04¾
1	.75	.39	McMillan	30,750	.67	.67	.60	.64
No	.53	.25	McWatters	26,500	.48	.48½	.36½	.47
1	1.21	.39½	McVittie	29,600	.54	.51	.36	.45
5	1.50	1.25	Mentor Exp. & Dev.	......	1.25	.....	.....	.....
No	2.47	1.60	Mining Corp.	4,375	2.00	1.95	1.75	1.80
1	.08¾	.02½	Moffatt Hall	46,025	.05½	.05½	.04¾	.05
1	.20	.08½	Moneta	4,800	.15	.15½	.13	.13
1	.04	.01½	Murphy	14,000	.01½	.01¾	.01½	.01½
No	.09½	.02	Newbec	10,500	.03	.03½	.02½	.03
1	.06¾	.03	Night-Hawk Penn.	8,700	.04	.04½	.03¾	.03¾
5	2.85	2.00	Nipissing	3,995	2.45	2.45	2.20	2.30
No	45.05	33.25	Noranda	20,320	41.35	41.25	35.25	39.25
No	.54	.24	Nor. Canada	3,700	.28	.27	.22	.26
1	.27	.07	Osisko	1,950	.07	.10	.07½	.10
1	.72	.34	Parkhill	36,150	.40	.42	.34	.39
1	.06	.01½	Pawnee Kirk.	7,500	.02½	.02½	.02½	.02½
1	.31½	.19	Paymaster	51,900	.26½	.26	.23	.25
1	1.44	.60	Pend Oreille	5,110	.60	.60	.55	.57
1	.05½	.02	Peterson Cobalt	500	.02½	.02½	.02½	.02½
1	1.85	1.40	Pickle Crow	33,770	1.56	1.50	1.26	1.45
1	14.15	10.75	Pioneer Gold B.C.	14,072	12.45	12.70	11.00	11.75
1	.08½	.01½	Porcupine Crown	16,800	.04½	.04½	.03½	.03¾
1	.03	.00½	Potter Doal	5,000	.01	.01	.01	.01
1	1.75	1.02	Premier Gold	15,755	1.25	1.25	1.08	1.21
1	.06¾	.01½	Preston E. Dome	9,300	.05	.04	.03½	.03½
No	.60	.30	Prospectors Air's	......	.45	.....	.....	.....
No	.70	.15	Quebec Gold	22,600	.18	.20	.16	.19
No	.15	.05	Quemont	1,000	.06	.06	.06	.06
1	1.73	.27	Read Authier	45,774	1.32	1.41	1.25	1.33
1	1.29	.75	Reno	17,650	.94	.95	.82	.89
1	.07¾	.00½	Ribago	7,500	.00¾	.01	.00¾	.00½
1	.05½	.01½	Ritchie	6,000	.02	.02½	.01¾	.02
1	.11¾	.01¾	Robb Montbray	62,100	.07	.07½	.06½	.06½
1	6.30	1.75	San Antonio	64,074	5.50	5.50	4.50	5.30
1	1.43	.64	Sherritt Gordon	49,063	.75	.73	.64	.68
1	2.63	1.43	Siscoe	77,880	2.47	2.49	2.25	2.40
1	.07¾	.02½	South Keora	1,500	.03	.02½	.02½	.02½
No	.26½	.09½	South Tiblemont	32,090	.13¾	.13¾	.11	.12
No	.46	.08½	Stadacona	124,325	.37½	.37½	.29	.36
1	.65	.31	St. Anthony	39,005	.54	.53	.48	.51
No	2.00	1.00	Sudbury Basin	8,255	1.50	1.55	1.39	1.40
1	.16½	.05	Sudbury Contact	4,000	.07	.08	.05	.06
1	.11½	.00¾	Sudbury Mines	36,700	.08	.08½	.06¾	.07
No	.18	.18	Sudbury Nickel	......	.18	.....	.....	.....
1	.63	.44	Sullivan Cons.	56,868	.53	.61	.50	.61
1	3.20	1.29	Sylvanite	42,910	2.66	2.70	2.35	2.54
1	8.05	5.75	Teck Hughes	48,167	6.50	6.90	5.95	6.50
1	.59	.29	Thom. Cadillac	44,835	.51	.51	.41	.47
1	.76	.26	Towagmac	5,950	.45	.45	.40	.42
1	.85	.35	Treadwell	......	.40	.....	.....	.....
No	.02½	.01	Vacuum Gas	......	.01½	.....	.....	.....
No	1.22	.77	Ventures	42,885	.80	.85	.77	.78
1	.03½	.01½	Vickers	7,000	.01½	.01½	.01½	.01½
No	1.53	.90	Waite Amulet	9,915	1.05	1.05	.90	.95
50c	.50	.07	Wayside	8,594	.07½	.09	.07	.08½
1	.43	.20	White Eagle	21,750	.21½	.22	.20	.20
1	.07½	.03	White Lake	......	.03	.....	.....	.....
1	.18	.05	Wiltsey Coughlan	16,100	.06½	.07	.05	.07
1	.20	.05	Wood Kirkland	11,100	.12½	.13	.12	.12
No	10.25	6.75	Wright-Hargreaves	22,200	9.50	9.50	8.45	8.95
			OIL STOCKS					
No	.33	.17	Acme Gas & Oil	26,700	.20½	.21	.18	.18
1	.20	.09	Admiral	......	.20	.....	.....	.....
1	1.60	1.00	Ajax	9,565	1.00	1.01	1.00	1.00
1	.25	.08	Alta. Pacific	1,800	.12	.10	.10	.10
No	.35	.12	Associated	1,005	.15	.15	.12	.15
No	.13	.04	Baltac	2,000	.05	.04	.04	.04
No	1.60	.70	Calgary & Ed.	700	.70	.70	.70	.70
1	.15	.05	Calmont	......	.06½	.....	.....	.....
1	.12	.05½	Common Pete	1,200	.06½	.08	.06	.06
No	.65	.27	Dalhousie	6,650	.30	.31	.25	.25
No	.30	.10	East Crest	3,800	.12	.12½	.10	.10
No	.58	.09	Erie Gas	3,000	.13½	.10½	.10	.10
No	.75	.32	Foothills	200	.35	.35	.35	.35
No	.23	.20	High Sarcee	......	.20	.....	.....	.....
No	1.90	.95	Home	6,420	1.05	1.09	.95	.96
No	.05	.02	Homestead	......	.05	.....	.....	.....
1	.25	.12	Homestead O. & G.	55,750	.16½	.25	.17	.23
No	.44	.15	Lowery	......	.15	.....	.....	.....
No	.42	.20	Merland	3,600	.20	.20	.19	.20
No	.48	.10	Midwal	......	.15	.....	.....	.....
1	.33	.19	Model	......	.20	.....	.....	.....
5	.17½	.06	Nordon	5,700	.07	.07	.06	.06
No	.09	.03	Oil Selections	29,200	.03¾	.03½	.03	.03½
No	.34	.12	Olga Gas & Oil	5,300	.14½	.14	.12	.14
1	1.10	.60	Petrol Oil & Gas	......	.60	.....	.....	.....
No	19.55	13.00	Royalite	1,572	14.10	14.25	13.00	14.00
1	.13	.06	Sarnia Oil	1,500	.06½	.06	.06	.06
No	.17	.07	South West Pete	......	.07	.....	.....	.....
No	.97	.63	Wainwright West	15,350	.89½	.89	.75	.86

VANCOUVER STOCK EXCHANGE
(Transaction for Week to July 25)

Par Val.	Range 1933 High	Low	Company	Sales	Close July 18 (or last)	High for week	Low for week	Close July 25
1	.09¾	.03½	Alexandria	12,000	.05	.04½	.04½	.04½
25c	.03¾	.01	Bayview	6,600	.01¾	.02	.01¾	.02
20c	.08½	.03	Beaver Silver	24,900	.04¾	.05	.04½	.04½
25c	.03½	.01	Bluebird	......	.01	.....	.....	.....
1	3.70	2.10	Bradian Gold	9,611	3.55	3.70	2.95	2.95
No	16.95	9.85	Bralorne	2,195	16.75	16.75	15.00	15.90
1	.48	.14	Bridge River Cons.	88,700	.19½	.19	.14	.16
50c	1.40	.28	Bridge River Exp.	48,550	1.29	1.30	1.11	1.12
50c	.27	.18	B. R. Mountain Gold	......	.20	.....	.....	.....
100	99.00	99.00	B. C. Electric, pref.	......	99.00	.....	.....	.....
1	1.76	.51½	B. C. Nickel	35,400	.75	.77	.70	.71
1	1.25	.90	B. C. Silver	......	.90	.....	.....	.....
50c	.29	.12	Butte I.X.L.	5,000	.16	.15	.12	.12
1	.24	.15	Can. Rand	2,400	.19	.19	.16	.16
1	2.90	1.00	Cariboo Gold	3,686	1.30	1.30	1.20	1.20
No	12.60	8.75	Coast Breweries	20	10.00	9.50	9.50	9.50
1	.45	.18	Congress Gold	17,600	.34	.34½	.32	.33
25c	.02	.00¾	Cork Province	......	.00¾	.....	.....	.....
1	.08	.05	Cotton Belt	......	.05	.....	.....	.....
1	.06	.01½	Dalhousie Mines	8,000	.03¾	.03	.03	.03
No	2.07	.25	Dentonia	27,550	.51	.52	.45	.50
1	.45	.14	Dunwell	3,175	.17	.17½	.15	.15
No	.44½	.12	Fairview Amal.	15,200	.14	.16	.14	.14
1	.12	.07½	Federal Gold	......	.10	.....	.....	.....
1	.42	.30	George Copper	......	.31	.....	.....	.....
50c	.02½	.01½	George Enterprise	......	.01¾	.....	.....	.....
1	.06½	.01½	Georgia River	11,500	.01½	.01½	.01½	.01½
50c	.08	.01	Glacier Creek	......	.03	.....	.....	.....
1	.63	.35	Golconda	4,900	.37	.38	.35	.35
5c	.20	.13	Golconda Ex.	......	.13	.....	.....	.....
50c	.63½	.27	Gold Belt	3,900	.46	.45	.43	.43
50c	.51	.30	Gold Mountain	5,550	.39	.39	.38	.38
50c	.06	.02½	Grandview	......	.02½	.....	.....	.....
No	.35	.18	Grange Mines	4,837	.26	.25	.20	.20
1	.50	.12	Grull Wihksne	10,000	.15	.14	.13	.13
No	.16	.04	Haida Gold	......	.04	.....	.....	.....
.25	5.80	5.25	Hecla	......	5.25	.....	.....	.....
	.26	.18	Hedley Amal.	23,000	.23	.24½	.23	.24½
No	.29	.12	Hedley Sterling	......	.12	.....	.....	.....
1	.09½	.04	Hercules Cons.	53,000	.05½	.05	.04½	.05
No	.28	.07	Home Gold	9,800	.13	.14	.13½	.14
1	.04	.01	Independence	6,000	.01½	.01½	.01½	.01½
1	.04	.01½	Indian Mines	......	.02½	.....	.....	.....
1	.15½	.10	Inter. Coal	......	.15½	.....	.....	.....
1	.42	.29	Jack Waite	......	.35	.....	.....	.....
50c	.65	.19	Kootenay Belle	3,450	.50	.50	.46	.47
25c	.02	.00½	Kootenay King	......	.00½	.....	.....	.....
25c	.01½	.00½	L. & L. Cons.	......	.01	.....	.....	.....
1	.01½	.00½	Lakeview	......	.00½	.....	.....	.....
No	2.95	2.40	Little Long Lac	......	2.95	.....	.....	.....
10c	.06	.02½	Lucky Jim	......	.02½	.....	.....	.....
No	.40	.11	Mak Siccar	......	.28	.....	.....	.....
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
10c	.33	.09	Meridian Mine	39,300	.14	.14	.10	.11½
5c	.04	.03½	Metaline Metals	......	.03½	.....	.....	.....
No	.85	.13	Minto Mines	39,600	.23	.23	.19	.19
25c	.01½	.00½	Mohawk	......	.01½	.....	.....	.....
1	.27	.26	Mont'y Ackerman	......	.27	.....	.....	.....
50c	.46½	.15	Morning Star	7,150	.16	.18	.16	.17
1	.05½	.01½	Morton Woolsey	6,000	.01½	.01½	.01½	.01½
50c	.09	.03	National Silver	12,500	.03¾	.04	.03¾	.03¾
1	.13	.02	Native Sons	3,000	.02	.02	.02	.02
50c	1.30	.34	Nicola	28,300	.40	.44	.34	.35
50c	.17	.08	Noble Five	20,000	.08½	.08½	.07¾	.07¾
No	.19½	.10	Norgold	18,825	.19	.24	.19	.22½
1	.54	.12½	Pavilion	500	.48	.50	.48	.50
1	14.25	11.00	Pioneer Gold	5,135	13.75	13.65	11.70	11.75
50c	.18	.08	Porter Idaho	6,337	.09½	.09½	.08	.09
No	.02½	.00¾	Premier Border	1,500	.00¾	.01	.00¾	.00¾
1	.06	.03	Quatsino Copper	500	.04	.04	.04	.04
50c	.19	.06	Red Hawk	1,000	.06	.06	.06	.06
No	.27	.09	Reeves McDonald	......	.15	.....	.....	.....
1	1.25	.75	Reno Gold	15,125	1.02	1.06	.90	.92
1	.15	.04½	Reward Mining	5,000	.05	.05½	.05	.05
No	.27	.13	Richfield Cariboo	......	.13	.....	.....	.....
1	.03½	.01	Rufus Argenta	3,800	.01	.01	.01	.01
1	.05	.02	Ruth Hope	500	.02½	.02	.02	.02
1	.55	.27	Sally Mines	1,350	.30	.30	.25	.25
50c	.35	.11	Salmon Gold	1,200	.12	.13	.12	.12
1	.09	.04	Silverado	......	.04	.....	.....	.....
25c	.04½	.02	Silvercrest	26,450	.02½	.02½	.02	.02
20c	.17	.04	Silversmith	500	.08	.08	.08	.08
50c	.03½	.01	Snowflake	4,500	.01	.01	.01	.01
1	.46	.18	Standard Gold	500	.18	.20	.20	.20
10	6.00	4.75	Sunshine	450	5.95	5.85	5.85	5.85
1	.28	.20	Sunloch	......	.20	.....	.....	.....
No	1.20	.36	Taylor Bridge	7,400	.41	.44	.38	.43
1	.65	.35	Taylor Windfall	46,275	.62	.63	.45	.45
25c	.05	.04	Thurlow Gold	......	.04	.....	.....	.....
5	.25	.20	Toric	......	.20	.....	.....	.....
50c	.28	.04½	United Empire	5,000	.15	.15	.14½	.14½
No	3.50	1.40	Vidette Gold	3,140	2.10	2.15	2.08	2.10
No	.24	.06½	Viking	2,600	.07½	.08	.07½	.07½
No	.27½	.08	Waterloo Gold	7,200	.10	.10	.09	.09
25c	.03	.01	Waverly Tangier	8,250	.01½	.01½	.01	.01½
50c	.47	.07	Wayside	19,100	.07½	.07½	.07	.07
20c	.03	.01½	Wellington	......	.01½	.....	.....	.....
No	.44	.23	White Eagle	1,300	.23	.24	.22	.24
1	.10½	.04	Whitewater	2,000	.05	.05	.04½	.05
			OIL STOCKS					
1	.15½	.03	Amalgamated	2,000	.10	.10	.09	.09
1	.08	.03	Anaconda	......	.....	.....	.....	.....
No	.12	.04½	Askalta	2,500	.05	.06	.05	.05
1	.10	.07	Brit. Dominion	......	.07	.....	.....	.....
1	.10½	.05	Crow's Nest	2,000	.06	.06	.06	.06
No	.09½	.03	Devenish	550	.05	.05	.07	.05
No	.01½	.00½	Fabyan Pete	50,000	.00½	.00½	.00½	.00½
No	.16½	.06	Freehold	3,000	.07½	.07½	.07	.07
No	.13	.05	Hargal	600	.....	.05	.05	.05
No	.35	.14	High Sarcee	11,000	.17	.23	.19	.19
No	.05	.00½	Madison	......	.....	.....	.....	.....
No	.35	.05	Marjon Oil	1,000	.06½	.06	.06	.06
No	.05½	.02½	McD. Segur Ex.	......	.02½	.....	.....	.....
1	.47	.25	McLeod	450	.30	.32	.31	.31
No	.22	.12	Mercury	8,800	.13	.13	.13	.13
No	.22	.10	Mill City Pete	500	.14	.14	.14	.14
No	.18	.05½	Okalta	......	.06½	.....	.....	.....
100	30.00	18.00	Do., pref.	......	.....	.....	.....	.....
No	.17	.05½	Pacalta Oil	3,000	.07	.06½	.06½	.06½
No	.75	.14	Ranchmen's	1,300	.53	.62	.60	.62
No	.04	.02½	Richfield	......	.....	.....	.....	.....
1	.42	.20	Spooner	630	.27	.25	.20	.24
No	.11½	.04½	United	2,100	.05	.05	.04½	.04½
No	.50	.11	Vanalta	4,600	.17	.17	.15	.15
1	.20	.10	Vulcan	......	.10	.....	.....	.....
1	.35	.15	Wellington Oil	......	.....	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Acme Gas†	2c.	.....	McIntyre	$2	4.27
Ajax Oil	8c.	8.00	Mercury Oils‡	4c.	.....
Bralorne	60c.	3.77	Merland Oils‡	5c.	.....
Bulolo Gold‡	60c.	.....	Model Oils	3c.	.....
Coast Brew	92c.	9.67	Nipissing	12½c.	.....
Coniagas‡	12½c.	.....	Noranda‡	$1	.....
Cons. Smelters	1.00	.....	Petrol Oil‡*	1c.	.....
Dome Mines	$2+$1.50	8.91	Premier	12c.	9.75
Falconbridge	5c.	.....	Pioneer, B.C.	60c.	4.36
Goldfield Cons.‡*	5c.	.....	Royalite	50c.	3.45
Hollinger	65c.+40c.	5.91	San Antonio†	5c.	.....
Howe Sound	$3	.....	Siscoe	12+3c.	4.90
Howey Gold	6c.	.....	Sylvanite	20+5c.	.....
Int. Coal & Coke‡	1c.	.....	Teck Hughes	60c.	9.23
Int. Nickel c.	10c.	.....	Wright-Har.	40+15c.	6.16
Lake Shore	$2+$1	5.97			

‡Interim. †Initial. *Paid in 1933.

Unlisted Mining Stocks

July 31, 1934

	Bid	Asked		Bid	Asked
Adanac	.16	.20	Kowkash	.07	.08
Ardeen	.35	.38	La Reche	.12	.15
Afton Mines	.29	.33	Layayette L. Lac.	.16	.19
Alschbach	.06	.07½	Lake Geneva	.10	.15
Arntfield Gold	.90	.95	Long Lac Adair	.43	.46½
Arntfield Synd.	.90	1.00	Long Lac Lagoon	.35	.38
Bailor Gold	.24	.25	Lamaq. Contact G.	.28½	.30½
Bankfield Gold	1.10	1.14	Lamaque Gold	1.60	1.75
Bathurst	.03½	.04½	Lamaq. Cont Un.	65.00	80.00
B. C. Nickel	.68	.72	McFarlane L. Lac	.30	.32
Beattie	1.25	1.35	MacL. Cockshutt	.68½	.71
Bidgood	.02½	.03½	McQuaig R. Lake	...	.41
Big Long Lac	.18	.21	Magnet Lake	.26½	.28
Bob Tough	...	.40	Makwa Champ'ne	.40	.44
Bosquet Gold	.35	.38	Mancey Mines	...	.20
Bur-Ley Long Lac	.16	.18	Matalac Units	9.00	12.00
Casey Mtn. Syn.	150.00	..	Marbuian	.66	.72
Calder Bosquet	.25	.30	Matachewan Can.	.14	.17
Can. Matachewan.	.16	.19	Metals Devel.	.04	.06
Can. Pandora		.15	Middle Bay	.27	.30
Can. Radium	.10	.14	Minefinders	2.00	3.50
Canusa Mining	.07	.09	Martin-Bird Un.	16.00	20.00
Casey Contact	...	.33	Montgomery-Ack.	...	.20
Casey Mtn. Oper. Synd.	150.00	..	Montague Gold	3.00	3.75
Casey Summit	.55	.65	Murwood	.34	.37
Cen. Malartic	12.00	16.00	Mosher Gold	.28½	.30
Cent. Porc.	.44	.48	Mosher Long Lac	.27	.28½
Clover Gold	.32	.34	Muton Champ.	.28	.30
Clover G. Units	32.00	34.00	Newroy Gold	..	.34
Cochenour Wil.	88.00	100.00	Nicola	...	.35
Columario (old)	..	.18	Neville Canadian	.45	.50
Condor Cons.	.41	.45	North West Min.	.22	.25
Continental Kirk.	.06	.08	Norco Thomp.	.30	.33
Crown Reserve	..	.08½	Normetal Mining	.50	.60
Cuniptau	.60	.62	Nu Sigma Gold	24.00	26.00
Delta Units	35.00	50.00	O'Connell Gold	.15	.20
Demers Placer	.98	1.03	Payore Mines	.23	.26
Dennison Cop.	.02	.04	Peninsular Pet.	.00½	.01
Dunlop Cons.	.03½	.04½	Pontiac Rouyn	.70	.80
Dorval Siscoe	.	14.00	Powell Rouyn	1.10	1.20
El Bonanza	.15	.18	Quebec Eureka	.10	.12
Fifty-three Syn.	1.50	2.00	Que. Eureka Un.	10.00	12.00
Fleming Thomp.	...	55.00	Queen Lebel	.18	.21
Forty-four Gold	13.50	14.50	Rice Lake	.42	.45
Four Nations	...	.20	Rice Lake Units	..	35.00
Fox Lake Gold	23.00	25.00	Rouyn Reward	.36	.39
Francoeur	.	.25	Roche Long Lac	.27	.28½
Glenora Gold	.35	.38	Rubec	.01½	.02½
Gold Eagle	.60	.63	Shawkey Gold	.39	.43
Golden Long Lac Unit	15.00	17.00	Smelter Gold	.28	.30
Goldside Stk.	.21	.24	So. McK. Island	.39	.41
Gr. Bear Dev	...	.30	Supreme Gold	.18½	.21
Gr. Bear Lake	.	.35	Talisman Gold	...	.85
Gabrielle	.70	.76	Tashota Goldfield	.70	.85
Hardrock	1.02	1.05	Tiblemont Island	1.35	1.45
Hardrock Un.	100.00		Toburn	1.30	1.40
Herbin L. Un.	15.00	18.00	Trafalgar L. Lac	.32	.36
Horseshoe	.05½	.06½	United Gold	1.00	1.10
Hudson Pat.	.62	.66	Upper Can. Gold	.20	.25
Island Lake	.09	.12	Wendigo	.90	.95
Jellicoe	.17½	.19½	Young Davidson	...	.31
Johnson Nipigon	..	.20	Wingold	...	.45
Jomac Synd.	34.00	37.00	Witch Bay Gold	3.00	..
Kenty Gold	...	.65	Wells L. Lac	.28	.30
Kirk. Gold Belt	.30	.33	West Red Lake	..	.30
			Yellow Knife	.30	.35

Source of quotations on application. Not guaranteed.

At the Mines

Algoma Mining & Finance Corp.—Shareholders of the company at a special meeting held last week voted to increase the company's authorized capitalization from 2,000,000 shares of no par value to 6,000,000 shares. At present the company has 780,000 shares outstanding, but it is now proposed to issue an additional 1,000,000 shares at 20 cents per share to provide cash for the treasury.

* * *

Beaufor Gold Mines—Thirty men are now engaged in development work at this company's property in Louvicourt and Pascalis Township, Quebec. The shaft is being deepened another two levels. The present management hopes that, within six months, sufficient ore will be developed to justify the erection of a mill.

* * *

Casey Summit Gold Mines—Mill building at the company's property in the Patricia district has been completed and most of the heavy machinery is in place according to official advice received this week. Production, it is expected, will start about September 1. The mill has a rated capacity of 50 tons per day.

* * *

Dunlop Consolidated Mines—Two favorable looking veins have been uncovered on the company's property in the Little Long Lac area. The latest discovery, No. 2 vein, was picked up some 50 ft. to the north of No. 1 and shows three feet width of well mineralized quartz. A new shear zone has also been located some 1,000 ft. north of No. 1 vein, showing a width of 12 ft., in which are quartz veins four ft. wide.

* * *

Golden Summit Mines—The main two-compartment shaft is down below the 300 ft. level with an immediate objective of 525 ft., according to latest information from this property. It is planned to cross cut and open up high grade ore bodies on the 250 and 500 ft. levels before the end of the year.

* * *

Gold Mountain Mines—Development work on the company's property is proceeding satisfactorily, it is reported. In addition to two shifts now employed on No. 2 tunnel, one shift has been engaged in reconditioning work in the Pine Knot tunnels with a view to the early commencement of development work in this section. No. 2 tunnel has been opened up for a distance of 430 ft. from portal and about 140 ft. from its objective.

* * *

Hollinger Consolidated Gold Mines—The company is reported to be obtaining good results from exploration work on the Brennan claims, in Hyslop twp. in the Matheson gold area. Diamond drilling is under way and it is stated that values ranging from $5 to $20 per ton in gold have been indicated over a width of 70 ft. The shaft is now down 200 ft. and sinking is being proceeded with.

* * *

Homestead Oil & Gas.—Supplementary letters patent, dated June 29, 1934, have been issued increasing the company's authorized capitalization from $500,000 to $1,000,000. The company reports that drilling is under way at its Gregg No. 1 well in Bristol Valley, Ontario county. A flow of gas was encountered at 150 ft. and also traces of oil. A further flow was encountered at 340 ft. and the total flow is now about 50,000 cubic ft.

* * *

Makwa Champagne Mines—Officials of the company report that a complete mining plant has been ordered and will be shipped to the property in the Champagne district without delay. An aggressive development programme has been planned for the company, including the sinking of the shaft to a depth of 500 ft. with levels to be established at 125-ft. intervals. The depth of the shaft is now approximately 50 ft.

* * *

Midcour Prospectors—Latest reports from this company's property in Louvicourt twp., Que., states that surface exploration is continuing and that officials are now getting the camp ready for a diamond drilling campaign which they hope will start in the very near future.

* * *

South Tiblemont Gold Mines—Latest reports from the company's property in the Tiblemont section of Quebec states that the crosscut on the 150 ft. level is being driven to pick up the downward continuation of surface veins and is in some 150 ft. The crosscut some 35 ft. to the south of the shaft on this horizon is reported to have intersected two veins, on which drifting will be started in the near future. Crosscutting is also under way on the 250-ft. level.

* * *

Waterloo Gold Mines—The shaft on the company's property at Lightning Peak in the Greenwood mining division, B.C., has been dewatered and a new hoist is being rigged up. The shaft is to be sunk an additional 70 ft. At the company's Bridge River property a tunnel is being driven to get depth on a surface showing. The tunnel is in over 150 ft. and its objective lies at about 250 ft. from the portal.

Gunnar Gold Reports Good Values at 125 Feet

Information received from James Houston, M.E., in charge of operations at the Gunnar Gold Mines, in the Big Rice Lake area of Central Manitoba district, states the vein on the 125-ft. level at a point 35 ft. west of the main crosscut showed a width of over six ft., with values of better than $20 in gold per ton.

On the 250-ft. level two rounds have been taken out of the vein shearing without encountering any quartz. It is planned to crosscut the sheared zone until it is crossed. The crosscut on the 375-ft. level is progressing satisfactorily, making about six ft. per day.

Index to Mining Stocks

The weighted index number of twenty-three mining stocks computed by the Dominion Bureau of Statistics on the base 1926 equals 100, was 134.3 for the week ending July 26th, as compared with 104.1 for the previous week.

Nineteen gold stocks fell from 136.0 to 130.7, and four base metals stocks 161.9 to 154.1.

Has La Reine Mines Got Forgotten $800,000 Asset?

Inactive Company Regarded as Done May Have 600,000 Shares of Read-Authier Mines — Such Shares Were Earned in Past

From Our Own Correspondent

MONTREAL. — With shares of Read-Authier Mines rising quickly this year to as high as $1.60 and at present selling at $1.33 a share, attention is beginning to turn on the position of La Reine Mines, Ltd., which did the original work on Read-Authier Mines with the understanding that 600,000 shares would ultimately be given it for its services. That at present market would mean $800,000 to La Reine Mines, which has been inactive since 1929 and regarded as having assets of little value to liquidate. The latter situation is not understandable if La Reine Mines ever really obtained and held its shares of Read-Authier Mines.

La Reine Mines, when it was in funds, made a deal for a half interest with Clarke-Read Gold Mine, in Bourlamaque, near the Greene-Stabell. The terms called for payment of $10,000 cash and the performance of $40,000 worth of work. A company was organized under the name of Read-Authier Mines with a capitalization of $3,000,000. The vendor was to get $10,000 cash and 600,000 shares of stock when work provided for was done. The Financial Post is reliably informed that La Reine Mines completed its part of the contract. But no public statement is yet forthcoming as to what was done with the stock. A number of shareholders of La Reine Mines live in Amos, La Reine, Rouyn and Dupuis. A lot of the stock was sold by Williams, Brochu, of Montreal, at 45 cents a share.

There is uncertainty among some shareholders as to the actual disposition of these shares. It is assumed that they should have reached the La Reine Company because it is known that La Reine Mines completed all its obligations toward Read-Authier. Where, therefore, are these 600,000 shares? If La Reine has them, the present treatment by the market of La Reine as a company that is inactive and whose shares have no value would apparently not be justified.

Bullion Movement in United Kingdom

The following were the United Kingdom imports and exports of gold registered from mid-day July 9, to mid-day, July 16.

Imports	£
Netherlands	4,892
France	107,228
Belgium	11,124
Switzerland	76,752
British South Africa	1,903,238
British India	415,782
Australia	170,528
New Zealand	3,901
Peru	12,991
Venezuela	19,476
Other countries	9,371
	£2,735,283

Exports	£
Netherlands	7,770
France	11,257
Belgium	3,500
Switzerland	1,670
Poland	14,670
U. S. A.	1,442,801
Other countries	3,912
	£1,485,580

Pioneer Gold Placed On 80c Dividend Basis

The stock of Pioneer Gold Mines of B.C. was placed on a dividend basis of 80 cents per annum with the announcement on Tuesday of the declaration of a quarterly payment of 20 cents per annum, payable October 1, 1934, to shareholders of record September 1, 1934. This represents an increase of 20 cents per annum in dividend disbursements as the previous rate was 60 cents a year.

Pioneer is a comparative newcomer among the dividend paying mines, having entered that class with an initial payment of three cents per share on April 1, 1931. Since that date quarterly dividends have been paid regularly, being increased to six-cents per share with the payment made Jan. 2, 1933 and to 15 cents per share, July 3, 1933.

The payment of 20 cents per share to shareholders on October 1 will mean a cash disbursement of $350,350, bringing the total amount paid out in dividends by the company to $2,239,840.

Gillies Lake-Porcupine Plans to Recondition Mill

With a view to reconditioning the present mill, and further exploring the property, Gillies Lake-Porcupine Gold Mines is currently offering 150,000 shares at 50 cents per share, through R. C. McLean & Co., Toronto brokers.

This company, operating in the Porcupine area, has an Ontario charter, and has an authorized capitalization of $2,000,000, divided into 2,000,000 shares of $1 par value. Including the present offering, the company will have 1,212,000 outstanding. Percy Hopkins, Toronto consulting engineer, recently reported on the property, stating that rock formations were similar to those at Hollinger and McIntyre Mines.

A pilot mill, of 25 tons capacity was erected in 1928. At this time, a shaft was sunk to a depth of 947 ft. with stations at the 100, 300, 500 and 900 ft. levels. About 1½ miles of underground work has been done. A total of 9,966.5 tons of ore has been milled, giving a recovery of $112,129, or $11.25 per ton, with gold at $20.67. Present plans are to recondition the mill units to a modern cyanide and flotation recovery process.

Gillies Lake-Porcupine is headed by Ray Stanley, Buffalo, as president; Howard Thurston, New York, vice-president; Frederick Grotz, Buffalo, secretary-treasurer and A. R. Sproule, Toronto, Dr. H. H. Moore, Timmins and Major F. O. Tidy, Toronto, directors.

Movements of Mining Men

Arthur A. Lee has been appointed resident engineer in charge at Wingold Mines, which is developing its property adjoining San Antonio in the Rice Lake district, Manitoba. Mr. Lee was formerly connected with such mines as Hollinger, Coniaurum and more recently Lake Shore Mines.

Robert Jowsey, president of God's Lake, is back at his desk in Toronto after an extended trip to the company's property in Manitoba.

Hon. J. S. McDiarmid, Manitoba minister of Natural Resources and Industry, and Hon. E. A. McPherson, K.C., provincial treasurer, have returned from a trip through the northern Manitoba gold fields. Both men stated they were "convinced mining is the biggest thing in Manitoba today."

I. M. Marshall, superintendent of Reno Gold Mines, is resigning Aug. 31 to take up private practice, it has been announced. W. R. Lindsay, general superintendent of Granby Consolidated has been appointed to succeed him.

Sullivan Con. Shares Listed On Mining Sec.

On Friday, July 27, shares of Sullivan Consolidated Mines were called for trading on the mining section of the Toronto Stock Exchange.

Sullivan Consolidated was incorporated in March, 1932, with a Quebec charter and acquired the properties of the old Sullivan Gold Mines for 3,999,993 shares. It has an authorized capitalization of $4,000,000 in $1 par value shares of which a total of 4,000,000 shares have been issued. In March, 1932, 700,000 shares were sold at 15c and in December, 1933, 700,000 were sold at 20c per share.

The company's balance sheet as at April 30, 1934, showed current assets at $89,445 as against current liabilities of $24,496. Current assets include cash on hand $300, accounts receivable $317, supplies on hand $19,827, amount due for stock $59,000.

Current liabilities include $18,198 in accounts payable, payroll due $2,130, balance due bank $4,166.

Mill Newly Erected

The company has just completed the erection of a 50-ton mill with a crushing and cyanidation capacity of 100 tons. To date 15,000 ft. of diamond drilling, 375 ft. of shaft sinking, 2,550 ft. of drifting and cross-cutting has been done. Results from that development to date are 30,000 tons of ore blocked out of $14 grade gold at $20.67 an ounce.

A recent report of the company shows that in the month June 15 to July 15, 730 tons were milled with a recovery of $17,531 or a millhead of $23.80 per ton at $35 gold. According to present schedule the mill will start running to capacity, 50 tons per day on or about August 15 by which time it is hoped that Quebec Northern Power current will be in use.

CANADA FULFILS SILVER TREATY

Hon. E. N. Rhodes Calls For Tenders For 250,000 Fine Ounces

Signifying the Federal Government's intention of implementing the international agreement signed at the London economic conference last year whereby this country agreed to purchase 1,671,802 fine ounces of silver a year for four years, commencing in 1934, Hon. E. N. Rhodes, minister of finance, has called for tenders for 250,000 fine ozs. The silver offered for sale must be from ore mined in Canada and refined in a Canadian refinery during the present calendar year.

This will be the first purchase by Canada under the agreement which was made between the four leading producers of silver in order to strengthen the price of the metal. The four countries have agreed to take 35,000,000 ounces of silver a year off the market. The other countries to the agreement are United States, Peru and Mexico.

The silver to be purchased by Canada will be in the form of bars weighing 1,000 ounces each, and will be held by the department of finance as an additional security to the note issue. Eventually it will be turned over to the central bank.

JUNE OUTPUT OF OIL DROPS IN ALBERTA

Recovery of Naphtha at Absorption Plant Curtailed

Figures issued by the Department of Lands and Mines of Alberta shows oil production from the wells of the province to have declined in the month of June as compared with the previous month, amounting to 95,802 barrels, a decline of 8,778 barrels from the month of May. The reduction in production, it is stated, would appear to be solely due to a curtailed recovery of naphtha at the absorption plant. Production in the various fields was as follows:

	Bbls.
Turner Valley (naphtha)	91,369
Turner Valley (light crude)	1,555
Red Coulee (light crude)	1,682
Wainwright (heavy crude)	1,214
	95,820

Central Patricia Reports Progress on 250-ft. Level

Central Patricia Gold Mines in a recent progress report states that satisfactory development on the 250 ft. level has been carried out. The "C" ore shoot has been extended about 120 ft. of which 80 ft. is showing a width of between 10 and 11 ft. and assaying about 1.4 ounces. The balance is running about an ounce to the ton.

Simultaneously, it was announced that Nesbitt Thomson & Co., and W. C. Pitfield & Co. have purchased a block of shares from André Dorfman and his associates.

Toronto Lists Lamaque Contact From August 1

The application of Lamaque Contact Gold Mines for listing on the mining section of the Toronto Stock Exchange has been approved by the managing committee, and the stock was called for trading on Wednesday, August 1.

Lamaque Contact was incorporated February 15, 1934, and has an authorized capitalization of 5,000,000 shares of no par value, of which 2,664,330 shares are outstanding. The remaining 2,335,670 shares are held in the treasury. Of the outstanding capitalization 1,939,525 shares are held in pool by the Trusts and Guarantee Co. Ltd.—107,100 shares until July 15, 1934; 40,125 until Oct. 15, 1934; and 1,792,300 shares until Dec. 31, 1934.

Details of the company's financing to date as shown by the listing papers reveal that 2,100,000 shares were issued for its properties which comprise 33 unpatented mining claims in Bourlamaque Twp., Que., adjoining Lamaque Gold Mines properties on the south and east. Lamaque Contact Gold Syndicate received 1,496,000 shares for its undertaking, 554,000 shares were issued for the Herbin Lake syndicate claims and services and 50,000 shares for the Mosso claims.

A total of 564,330 shares were sold by the company for a cash consideration of $77,653. Five shares were sold at $1 per share, $125,000 shares at 10 cents per share, 25,000 shares at 12 cents and 414,325 shares at 15 cents.

Of the 2,335,670 shares held in the treasury, 1,585,695 shares are shown to be under option: 85,675 shares at 15 cents per share; 833,333 at 20 cents; 333,333 at 30 cents. Two additional blocks of 166,667 shares are under option at 20 cents and 30 cents respectively.

The company's balance sheet as at May 26, 1934, submitted with the listing application, shows current assets of $55,598 as against current liabilities of $2,514 Current assets consist of $20,098 cash and $35,500 call loans, current liabilities of $2,500 owing on property purchased and accounts payable of $14.

The company presents a strong directorate, comprising A. B. Stodard, director of Mining Corporation of Canada as president; J. T. Tebbutt, Three Rivers, Que., as vice-president; Harry A. Kee, prominent Toronto mining engineer, as general manager; Frank Eickelberger, general manager of Base Metals Mining Corporation, and W. R. P. Parker, Toronto lawyer, as directors.

Province Moves To Speed Access Into Crow Area

Confirming prediction made in a recent issue of The Financial Post, Hon. Peter Heenan, Minister of Lands and Forests, has requested the Ontario Hydro Commission to carry out certain improvements costing $100,000 on the Root River to facilitate transportation into the Pickle Crew and Central Patricia Gold Mines at the joint expense of the province and the two mines interested.

The Hydro has already authorized its engineers now on the ground conducting the Rat River power development to supervise the work, which will be in the nature of a marine railway.

"Mr. Heenan stated that the mine companies have forwarded cheques for $50,000. The Ontario Government has also provided $50,000," stated T. Stewart Lyon, hydro chairman, in making the announcement. "The commission is to be reimbursed for all costs in connection with the work except that incurred in engineering and field supervision, which service the former members of the commission had offered to the former minister of mines."

Gabrielle Gold to Establish Station at 200-ft. Level

With the shaft rapidly approaching the 200-ft level Gabrielle Gold Mines announces that a station will be established on this horizon and drifting started. At the time of the last report from the property the shaft had reached 175 feet. The present objective of 340 ft. with double stations at 200 and 325 ft. depths will be reached by the end of August, officials state. Mr. P. Harrison has been appointed mine captain to take charge of underground work. A doctor is now on the property and hospital facilities have been made available. There are some 25 men employed at the camp and a section of the crew is now busy preparing accommodation for these employees and their families. Motor cars are now using the road connecting the mine to the Government road although surfacing is still in process. The property comprises 110 acres on the north shore of Big Rice Lake in the Central Manitoba area immediately joining the San Antonio Gold Mine on the west.

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TAYLOR B. R. PLANS TO EXPLORE VEINS AS YUILL URGES

President States Bridge River Amply Financed for Programme

An aggressive development and exploration programme is planned by Taylor Bridge River Mines on its property adjoining Bralorne Mines in the Bridge River area of British Columbia, according to a progress report that has been issued over the signature of E. L. Boultbee, president.

Mr. Boultbee reports that, as at July 15, the tunnel which is being driven into the property from the 1,000 ft. level of the Bralorne Mine had been completed for a distance of 765 ft. and had at that time cut three veins. Another vein has been cut since the report was issued. No. 3 vein was cut 585 ft. from the boundary, No. 2 vein at 555 ft. and No. 1 vein at 450 ft. No. 1 vein showed four ft. width of quartz stringers in shear, while No. 2 and No. 3 veins were 18 to 24 inches and four ft. wide respectively. No. 1 vein has been drifted for a distance of 119 ft., No. 2 for 19 ft. and No. 3 for 15 ft.

Await Electric Power

The report states that Col. H. H. Yuill, who is in charge of development, is desirous of continuing the main cross-cut tunnel to a point where exploration of the main body of diorite can be conducted. Col. Yuill also recommends that the veins cut be prospected, especially to the west. This work will be undertaken as soon as electric power is available.

Mr. Boultbee reports that the company is adequately financed to carry out the programme which Col. Yuill has recommended.

MIDDLE BAY MINES TO START DRILLING IN RED LAKE AREA

Offer 400,000 Shares at 25c to Finance Development Work

A recently incorporated company Middle Bay Mines is curently offering 400,000 shares of treasury stock at 25 cents per share through C. A. Gentles & Co., Toronto brokerage house.

Middle Bay Mines owns a block of 17 claims in the west end of Middle Bay in the Red Lake mining division, Ontario. A prospectus recently issued claims that the south vein system has been traced by stripping and cross trenching for over 2,000 ft. with assays over a length of 170 ft. showing values of $8 to $12 with gold at $20.67 an ounce. A test pit sunk on the narrow section of this ore shoot to a depth of 16 ft. gave assays of $11 across two ft. The present issue is being made in order to finance the programme of diamond drilling and trenching to prove up the location of the vein system.

1,100,000 Shares in Treasury

Middle Bay Mines has an authorized capitalization of $3,000,000 in $1 par value shares of which 1,500,000 shares have been issued for property, leaving a balance in the treasury, after the present offering is subscribed of 1,100,000 shares. Of the shares issued for property 1,475,000 have been pooled. Directors of Middle Bay include F. W. Black, Toronto, president, T. W. Dean, vice-president and Charles Palmer, Lorne Dempster and F. W. Scriven, all of Toronto, as directors.

ASTORIA AWAITING HEAVIER MACHINERY

Plans to Sink Series of Deeper Drill Holes to Cut Vein

Douglas Mutch, M.E., of Haileybury, has been appointed consulting engineer for Astoria Rouyn Mines, and has left for the property to personally supervise development now going forward.

Astoria controls several groups of properties, the most important of which being the Rouyn group immediately adjoining the Granada Gold Mines on the north. A series of short diamond drill holes have just been completed and the management now plans to sink some deep holes to cut the vein structure at lower horizons. This will get under way when heavier drill machinery arrives.

On surface, the Astoria mineralized zone is about 40 ft. wide and considerable encouragement has been had. There are several promising gold showings. Diamond drilling, however while serving to check the structure, has not encountered any of the higher grade sections which were exposed on the surface, although one section showed intense mineralization and visible gold associated with the pyrite.

Drilling of the first deep hole will get under way this week, The Financial Post was officially advised.

Proserpine Gold Reports Vein Intercepted at 85 Ft.

Proserpine Gold Mines has issued a progress report covering operations on its property on Mt. Proserpine, near Barkerville, B.C., in which it is stated that the tunnel on the Warspite claim has cut the vein showing in the Warspite shaft at a depth of 80 ft. The vein is wider than the present drift tunnel.

The Newberry adit, the report states, has been extended to a depth of about 82 ft. and has intercepted the No. 2 vein in place and has found it to be eight ft. in width. The main tunnel on the Hard Cash claim has been faced up by hand preliminary to installation of machinery which will expedite the driving of this tunnel 1,800 ft. to its first known objective, the downward continuation of the vein showing in No. 4 shaft. From this point the tunnel will be driven to its ultimate objective below the Warspite shaft, cutting in series the entire structure of cross fissure veins in a distance of approximately 5,500 ft. and a depth of 450 ft.

Bralorne Gets Electric Power Via B. C. Railway

From Our Own Correspondent

VANCOUVER. — Electric power from the 45-mile transmission line of the B. C. Electric Railway from the Bridge River plant is now being used at the Bralorne mine, where three 250 KVA transformers have been installed. R. Bosustow, superintendent of the mine, reports everything satisfactory.

The drift on the eleventh level at Bralorne has been advanced 40 feet in ore considerably wider than the drift, and the ninth level has also entered good ore. The latter has been driven with a view to breaking the 250-ft. lift between No. 10 and No. 8 and is now 100 feet below No. 8

Machinery for the new mill installation is now ready, and capacity will be gradually stepped up to 500 tons daily as soon as the new double-drum Ingersoll-Rand hoist has been installed in place of the present air hoist on the main haulage level. Work will probably not be completed for a couple of months, as any change must be made without interfering with the present rate of production. The new hoist has an 8,000-pound rope pull and will carry shaft work to the 1,200-ft level below the main haulage tunnel, thus assuring ample mill feed.

BROKER ASSUMES LARGE INTEREST IN DRILLING FIRM

All Companies Reported Working at Full Capacity in North

Throughout the mining north, the diamond drilling business is flourishing. All drilling companies are working at full capacity and there is actually a shortage of machines, and a serious paucity of good drill setters and runners.

Recently, some changes have taken place in drilling circles. The Financial Post understands that a substantial interest in the well-known firm of Smith & Travers, Sudbury, has been acquired by J. H. Hirshhorn, Toronto mining broker. It is stated officially that Hirshhorn's stock was bought on the open market. This transaction is rather an innovation in mining, representing as it does the first known instance of a merger of drilling and brokerage interests.

Another change can be seen in the announcement that S. J. Fitzgerald, of Sudbury Diamond Drilling Company, has disposed of 60 per cent of his interest in the company to Montreal interests, and has gone to Rochester, N.Y., to enter the Mayo Brothers Clinic as he has been in poor health for some time. With Mr. Fitzgerald disassociating himself from the company, Sudbury Diamond Drilling Co. loses a fine drillman and dominant personality in the industry.

Mining Concerns Newly Formed

Bur-ley Long Lac Gold Mines—Ont. Incorp. July 3,; H.O., Toronto; Capit. author. $3,000,000, par $1.

Canadian Gold & Metals Mining Co.—Ont. Incorp. July 10,; H.O., Toronto; Capit. author. $10,000,000, par $1.

Central Malartic Mines—Ont. Incorp. June 28; H.O., Toronto; Capit. author. $3,000,000, par $1.

Kert-MacDonald Red Lake Gold Mines—Ont. Incorp. July 6; H.O., Toronto; Capit. author. $3,000,000, par $1.

Langmuir Langlac Gold Mines—Ont. Incorp. July 9; H.O., Toronto; Capit. author. $3,000,000, par $1.

Mining Claims Mart—Ont. Incorp. July 4; H.O., Toronto; Capit. author. 100,000 shs. n.p.v.

Swayze Gold Field—Ont. Incorp. July 11; H.O., Toronto; Capit. author. $2,000,000, par $1.

Merged

Swayze Contact Gold Mines—Name changed by S. L. P. dated July 5, to Garnet Long Lac Mines Ltd.

Extinct

Crown Reserve Mining Co.—Ont. Incorp. 1907. Property acquired by Crown Reserve Consolidated Mines, Ltd. in 1926. Charter to be surrendered August 6.

Dunkin Gold Mines—Ont. Incorp. 1927. Owned a gold prospect in the Woman Lake area, Patricia district. Charter surrendered July 30.

United Kirkland Gold Mines, Ltd.—Ont. Incorp. May 10, 1917. Owned a gold prospect consisting of 5 claims in the Kirkland Lake area. Charter surrendered July 30.

Kootenay Belle Drifting on Profitable Ore Body

From Our Own Correspondent

VICTORIA.—A new ore body on the first and second levels on the "B" vein at Kootenay Belle Gold Mines, has been opened up disclosing good values according to reports from the management. The new ore body has been drifted on for about 18 ft. on the second level and shows values across a width of two to two and a half feet of about $17 per ton.

Mill construction is progressing rapidly, the buildings having been roofed in at latest reports.

The last carload of ore shipped to the smelter containing 42 tons is reported to have averaged 2.45 oz. gold per ton and returned the company $2,880.

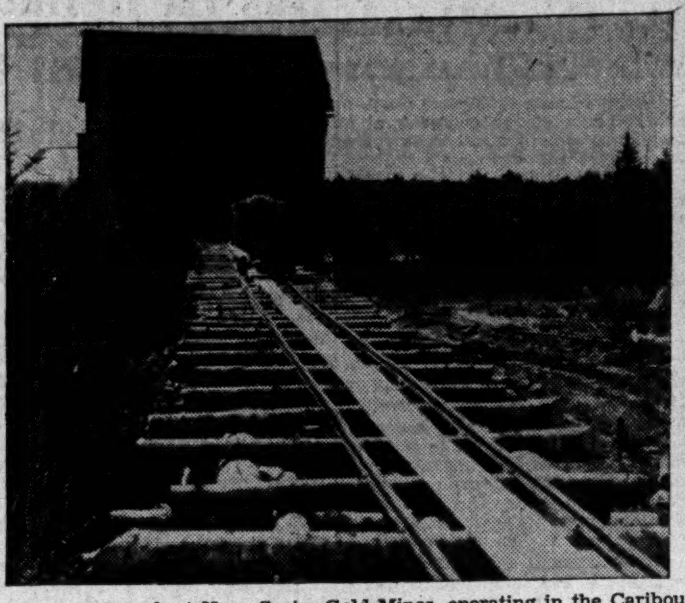
Congress Mine Considering Installation of Test Mill

From Our Own Correspondent

VICTORIA.—A three-foot quartz vein assaying .93 oz. gold equivalent to $32 per ton was struck recently at Congress Gold Mines Ltd. in the Bridge River district, according to authoritative reports. The strike was made 400 ft. below the surface and 135 ft. below the upper tunnel which has now reached a distance of 340 ft. from portal to face with ore showing for the entire distance.

Some thousand feet of tunnelling and cross-cutting have been done on this property to date and it is understood that development is now being pushed ahead with a view to installing a 50- to 75-ton mill for the purpose of making metallurgical tests.

First Ore from N. S. Gold Mines



Development work at Nova Scotia Gold Mines, operating in the Caribou district, N.S., is believed to constitute a record for speed in Nova Scotia. Above is seen the first ore being run from an auxiliary shaft.

Development at N. S. Gold Typifies Maritime Revival

The lethargy which for the past 30 years has been the outstanding feature of gold mining in the province of Nova Scotia seems to be rapidly changing to an awakened interest, as the tremendous impetus given by the prevailing world price of gold is felt.

One of the newer properties which has, in the past few months, typified the vigor which marks this revival is that of the Nova Scotia Gold Mines, which last winter started work on its property in the Caribou Gold district. Since that time, ground has been cleared, bunk houses and eating houses have been built, a boiler house, complete with boiler, erected, compressor, hoists, and all necessary equipment for working the main shaft built. A former mill on the property has been re-conditioned, and latest reports from the property indicate it is running full time. The rapidity with which this work has been accomplished is believed to constitute a record in mining annals of the province.

The mill is a 20 stamp mill, operated by steam and auxiliary oil engines. The company reports that it has power rights at Tangier, N.S.

To date two auxiliary shafts have been sunk with about 200 ft. of drifting, head frame is in for main shaft, and the main shaft is timbered through about 18 ft. of overburden. Test mill runs, it is stated, have given recovery averaging about three quarters of an ounce to the ton.

Nova Scotia Gold Mines has an authorized capitalization of 5,000,000 shares of no par value, of which about 1,600,000 are currently outstanding. Of this amount, 1,560,000 are pooled until Feb. 1, 1935, when 25 per cent will be released at intervals.

The directorate of Nova Scotia Gold Mines comprises: Henry Moore, Toronto, pres.; W. A. Wilson, Stratford, vice-pres.; E. W. Sanderson, sec.; M. L. Soltz, treas.; and J. C. M. German, all of Toronto.

In May of this year, E. W. Sanderson & Co. offered an unstated number of shares at 50 cents per share.

The properties of the company, which were acquired from the Nova Scotia Gold Mines Syndicate, comprise 44 areas in one group, and 33 in another.

Company officials are loud in their praises of the Nova Scotia government for the co-operation given in developing the properties.

Boiler House and Main Shaft

In keeping with the speed which has marked development at N.S. Gold Mines property, the two buildings above, boiler house (left) and main shaft housing (right), were started in March. Above view is the latest picture of these buildings.

LOWER GRADE ORE REDUCES EARNINGS FOR TECK-HUGHES

Report for Nine Month Period Shows Profit 48c Per Share

Reflecting the company's policy of extracting low grade ore, earnings of Teck-Hughes Gold Mines for the 9 months of its fiscal year ended May 31, 1934, declined to $2,317,477, equivalent to $0.48 per share on the outstanding capitalization as compared with $0.50 in the same period of 1933. Estimated income for the three months ended May 31, 1934, was $790,379, equivalent to 16 cents per share.

On this basis it is estimated that earnings for the company's fiscal year which ends August 31, will amount to approximately 64 cents per share as compared with 67 cents earned in the 1933 fiscal year and 77 cents in 1932. This will be more than sufficient to meet dividend requirements of 60 cents per share.

Mill Rate 1,300 Tons

In interpreting the decline in profits, notwithstanding the higher price of gold, consideration must be given to the policy of mining and milling low grade ore. While production figures are not given in the quarterly report issued by the company it is known that mill tonnage has been held at the rated capacity of 1,300 tons with only slight variation. Production figures issued by the Ontario Department of Mines for the three months ended March 31, 1934, revealed an all-time low recovery of $7.25 per ton (gold at $20.67).

The following tabulations give earnings for the quarterly period under review as well as for the nine months ended May 31.

	3 Mos. ended May 31 1934	9 Mos. ended May 31 1934
	$	$
Gross income	1,638,604	4,686,907
Operating costs	637,726	1,851,818
Net earnings	1,000,878	2,835,089
Less: Est'd. taxes	202,828	388,741
Est'd. deprec.	64,860	186,060
Profit, est'd.	733,190	2,260,288
Add: Credit re bullion tax offset against 1934 Dom. inc. tax	57,189	57,189
Balance	790,379	2,317,477
Earnings per share†	$0.164	$0.482

† Based on 4,807,144 shares outstanding.

Quesnelle Quartz Test Run Gets Values of $19.16 Ton

From Our Own Correspondent

VICTORIA.—Results of a test mill run of 500 pounds ore from Quesnelle Quartz Gold Mine on Hixon Creek near Quesnel showed average values of $19.16 per ton free gold values only, according to recent reports.

The test run was treated by Gold Savers Ltd. of Vancouver, a company operating the Lorentsen Centrifugal gold recovering machine. This machine, it is understood, recovers only the free gold, further recovery being possible with more extensive treatment methods.

In the report issued to the shareholders Newton J. Ker, president, quoted from the report of P. E. Peterson, M.E., following his recent inspection of the property. Mr. Peterson reported that all of the old mine workings have now been reopened and a general map prepared showing the relations of all the mine workings to each other. The mapping and sampling of the old mine workings are said to have proved that the principal zones of ore enrichment lie in the greenstones in close proximity to their contact with the schists.

Required formalities for listing of Quesnelle Quartz on the Vancouver Stock Exchange have been completed and it is reported the stock will be called for trading "when market conditions warrant."

SHEEP CREEK VEIN WIDENS TO 6 FEET

Company May Sink for Another Level, if Warranted

From Our Own Correspondent

VICTORIA.—The rich vein recently encountered on a cross-cut on the seventh level at Sheep Creek Gold Mines, is reported to have widened to six ft. after having been drifted on for 50 ft. The vein was originally disclosed at a point eight ft. south of the easterly limit of the ore shoot in the main drift and at this point assayed 2.18 ozs across the entire three ft. Drifting for 50 ft. the vein was found to have widened to six ft. and now assays .75 oz. across that distance.

It is understood that if this ore shoot shows any signs of continuing, the management will sink for another level and will seriously consider mill construction with an immediate start being made on metallurgical tests.

God's Lake Ball Team Causes Flurry at H.O.

With activity at, and public interest in, God's Lake Gold Mines at a high tempo, officials of the company were naturally impressed when an important looking envelope, marked "rush," and addressed to a Winnipeg hardware store, arrived from the property recently.

Assuming that the order was for some tools, urgently needed at the property, Winnipeg officials gave it right-of-way, and rushed a special messenger with it to the supply house, authorizing the clerk in charge to arrange for immediate airplane shipment for the "tools." The clerk tore the envelope open, then didn't arrange special airplane shipment.

Because the order was for two baseballs for the newly organized four-team ball league at God's Lake.

Noranda Strike Puts Canadians In the Majority

From Our Own Correspondent

ROUYN.—The net results of the strike at Noranda Mines recently was that the percentage of foreign born workers has been reduced from 50 to 25 per cent, it was learned at the mine, recently. It has been charged that the strike was instigated by paid agitators with Communistic leanings.

Before the strike, foreigners were in the majority on the payroll, but now the tables have turned with the result that Canadians are in the majority.

INGENIOUS DEVICE SPEEDS HAULAGE AT HERCULES CON.

Ore Whirled Through Air With Aid of Ordinary Bent Nail

From Our Own Correspondent

VANCOUVER. — When operators of Hercules Consolidated Mine, on Alice Arm, started production they were faced by a puzzling engineering problem in getting out their ore. After a good deal of experimenting, the problem was solved in a manner so novel and ingenious that mining men here marvel at its simplicity and efficiency.

Heavy sacks of ore, high grade gold, are now being whirled through the air at high speed on thin wire. Ordinary wire, about an eighth of an inch thick, has been strung part way from production point to tidewater. Four stations will be operated when the mine is in full production. Two are already complete. When the entire system is ready the ore will be brought from the mine to the loading wharf in about one minute actual travelling time. A common twisted nail is used as the hook to keep the sack attached to the line. When the sack reaches the station it is stopped by a net strung on stout saplings which, as they spring backward, bring against a knife the cord to which the sack is suspended. The cord is cut, the sack falls to the platform and the hook bounds off the wire.

Cost Negligible

The process is repeated from station to station. It is obvious that the cost of such equipment is negligible. Of course, it is merely a temporary expedient to meet the present need for quick hauling. More modern methods will be installed shortly. The ore is being shipped to the Tacoma smelter.

L. R. Leslie is superintendent at Hercules Consolidated.

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Importance of Dairying

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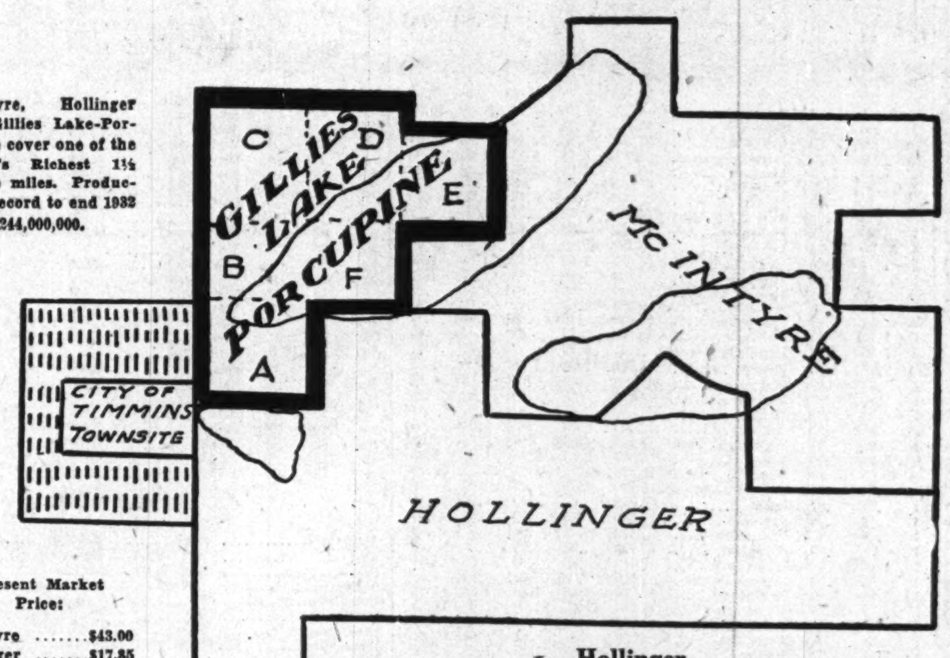
GOLD MINES LIMITED
NO PERSONAL LIABILITY
Incorporated under Ontario Companies Act

CAPITALIZATION
Authorized ....2,000,000 Shares, $1.00 Par Value
To be presently outstanding, including this offering, 1,212,000 Shares

PROPERTY: Formerly known as Rochester or Canadel Mines, comprising 6 claims of approximately 240 acres in Tisdale Township, Porcupine District of Ontario.

LOCATION: Claims A. B. C. D. E. F. in heavy outline border . . . show the location of the property, immediately adjoining the Hollinger and McIntyre Mines. See map below.

McIntyre, Hollinger and Gillies Lake-Porcupine cover one of the World's Richest 1½ square miles. Production Record to end 1932 over $244,000,000.



Gillies Lake-Porcupine Gold Mines facing ¾ mile on McIntyre and also Hollinger

With a capital of only $2,000,000, and its shaft down only 947 feet, has nearly $1,000,000 worth of ore indicated with gold at $20.67 per oz. and a great future before it.

McIntyre
With a capital of $4,000,000 has produced over $62,000,000 to end of 1933
Shaft down 4,650 feet

Present Market Price:
McIntyre $43.00
Hollinger $17.85
Gillies Lake Porcupine 50c

Hollinger
With a capital of $25,000,000, has produced over $182,000,000 to end of 1932. Shaft down 4,100 feet.

QUOTING IN PART FROM PERCY E. HOPKINS, M.E., REPORT DATED MARCH 19th, 1934

"The rocks consist of Keewatin lava flows with some interbedded cherty and carbonaceous material which have been intruded by quartz porphyry or quartz monzonite. **These rocks are similar to those occurring on the Hollinger and McIntyre Mines.**"
"Development to date has shown that veins Nos. 2 and 3 on the 100-foot level, veins 8, 8A, 10, 11 and 12 on the 300-foot level and vein 10 on the 500-foot level are the most interesting ones encountered to date. **These present parallel and branch deposits which may be the westerly extensions of veins 7, 21, 24 and 25 on the Hollinger.**"

DEVELOPMENT: Shaft is located on Claim A and is down to a depth of 947 feet. Stations have been established at 100, 300, 500 and 900 foot levels. Approximately 1½ miles of underground development has been done. Pilot mill of 25 tons capacity was erected in 1928. 9,968.5 tons of ore have been milled and a recovery of $112,129.40 was made, average recovery being $11.25 per ton (gold at $20.67 per ounce).

ORE ESTIMATES
From report of J. D. Tolman, A.I.M.E.

Vein	Level	Estimated Tonnage	Estimated Value	Total Value Estimated
10	500	21,300	$9.00	$191,700
10 Below	500	10,650	9.00	95,850
10	300	27,000	9.00	243,000
8	300	25,000	8.00	200,000
9	300	17,000	7.00	119,000
		100,950		$849,550

(All gold figures at $20.67 per oz.)

"This does not take into account ore above the 100 foot level."
"No. 12 vein, on the 300 shows a width of about 25 feet with 9 feet showing $7.00 ore. There was one assay over 4 feet at $15.00 and a drill hole in that vicinity gave 5 feet of $15.00. This vein would probably develop a substantial amount of ore when properly opened and although no accurate figures can be given as to tonnage without further development, a vein of that size would show about 10,000 tons for every 100 feet in length and height, and it is hard to say what limit to place on the amount of ore which could be mined from a vein of this size, especially if at depth the full 25 feet developed milling ore."

Quotation from Report, dated 30th of March, 1934:
"As the property stands today it offers notably more promise, for example, than did the Vipond or the Conlaurum at a similar stage, or possibly even than the McIntyre before discovery of veins under the porphyry."
G. S. SCOTT,
Former Geologist for Hollinger.

Excerpt from Report dated April 27th, 1934, of Ore Dressing and Metallurgical Laboratories at Ottawa:
SHIPMENT: A shipment of gold-bearing ore having a weight of 1,367 pounds, was received at the Ore Dressing and Metallurgical Laboratories on April 3, 1934. The shipment was from the Rochester Mine of the Gillies Lake-Porcupine Gold Mines, Limited, and was submitted by G. S. Scott, P. O. Box 1844, Timmins, Ont.
EXPERIMENTAL TEST WORK: The ore was crushed and sampled by standard methods, and the head sample, assayed for gold, gave the following result: Gold—2.91 oz. per ton.

With gold at $35.00 an ounce, the above assay runs $101.50 to the ton.

SUMMARY: The plans of the company call for the immediate reconditioning of the mill units on the recommendations of G. S. Scott, geologist, to a modern cyanide and flotation recovery process as shown by the Ore Dressing and Metallurgical Laboratories, Department of Mines, Ottawa, in the test work as giving the highest percentage recovery, and to further explore all known veins and veins indicated by diamond drilling, which, it is anticipated, will place this property among the major producers of Ontario.

OFFICERS AND DIRECTORS
President—Ray M. Stanley, Buffalo, N.Y.
Vice-President—Howard Thurston, New York, U.S.A
Secretary-Treasurer—Frederick Grotz, Buffalo, N.Y.
Director—A. R. Sproule, Toronto, Ont.
Director—Dr. H. H. Moore, Timmins, Ont.
Director—Major F. O. Tidy, Toronto, Ont.
And one other director, name to be announced later.

SERVICES
Solicitors—Arnoldi, Parry & Campbell, Toronto.
Registrar & Transfer Agents—The Eastern Trust Co., Montreal.
Bankers—Royal Bank of Canada, Toronto.

Present Offering 50c. Per Share

This issue having been underwritten, proceeds of this offering will not accrue to the treasury of the company whose securities are hereby sold to you. Applications may be mailed, wired, or telephoned to the undersigned.

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